CITY OF BEDFORD

# Annual Comprehensive Financial Report

For the Year Ending September 30, 2021

City of Bedford, Texas

# City of Bedford, Texas

Annual Comprehensive Financial Report
Fiscal Year Ended September 30, 2021

Prepared By
City of Bedford Finance Department

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# City of Bedford, Texas

Annual Comprehensive Financial Report
For the Year Ended September 30, 2021
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# Introductory Section

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# CITY of BEDFORD

2000 FOREST RIDGE DRIVE, BEDFORD, TEXAS 76021-1895

March 8, 2022

To the Honorable Mayor, Members of the City Council and Citizens of Bedford:

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) for the City of Bedford, Texas (City), for the fiscal year ended September 30, 2021. This report was prepared through the cooperative effort of the Department of Financial Services and the City's independent auditor. It is published to provide the City Council, staff, citizens, bondholders and other interested parties with detailed information concerning the financial condition and activities of the City government.

Responsibility for both the accuracy of the data and completeness and fairness of the presentation rests with the City. We believe the data, as presented, is accurate in all material aspects. It is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds and all disclosures necessary have been included to enable the reader to gain the maximum understanding of the City's financial affairs.

The ACFR Annual Comprehensive Financial Report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, organizational chart and a list of principal officials. The financial section includes the independent auditor's report, Management's Discussion and Analysis (MD&A), basic financial statements and combining and individual fund statements and schedules. The statistical section includes a variety of financial and demographic information presented on a multiyear basis that is relevant to a financial statement reader. The financial section is prepared in accordance with generally accepted accounting principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB).

## CITY PROFILE

The City of Bedford is a predominately residential community located in Tarrant County, near several major transportation links between Dallas and Fort Worth. It is part of the "Metroplex" of North Central Texas, which includes the cities of Dallas and Fort Worth. The City of Bedford is bordered on the east and south by the City of Euless, on the west by the City of Hurst and on the north by the City of Colleyville. Bedford lies approximately five miles from the Dallas/Fort Worth International Airport, 12 miles from downtown Fort Worth and 20 miles from downtown Dallas There are three State Highways (183, 121, 157) and two Interstate Highways (35, 30) serving the City with the nearest Interstate located six miles away.

The City was incorporated in 1953 under the general laws of the state of Texas and the voters approved the current charter in 1966. The City is a home rule city and operates under the Council/Manager form of government. The City Council is composed of a mayor and six council members elected at large every three years.

## THE REPORTING ENTITY AND ITS SERVICES

Generally accepted accounting principles require the general-purpose financial statements present the City (the primary government) and its component units. Component units are organizations for which the City is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete.

In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. Based on the criterion, the following blended component unit is included. The City of Bedford Street Improvement Economic Development Corporation (EDC) is governed by a seven-member board appointed by the City Council. Although it is legally separate from the City, the EDC is reported as a Special Revenue Fund as if it were part of the primary government because its sole purpose is to operate, maintain and finance the costs of the City's street improvements using sales taxes collected under Section 4B of the Development Corporation Act of 1979.

Services provided by the City under the general governmental functions include police and fire protection, emergency medical services, planning and zoning, code enforcement and inspections, street maintenance, parks, recreation, library and senior citizen services. A Special Revenue Fund is used to account for revenues derived from hotel/motel taxes, with proceeds used to promote tourism. Water and sewer services are provided under an enterprise fund concept, with user charges set by the City Council to ensure adequate coverage of operating expenses and payments on outstanding debt. Drainage maintenance services are also provided under the enterprise fund concept, implemented in 1991 in accordance with amendments to Title 13 of the Texas Local Government Code.

The water supply for the City of Bedford is provided by the Trinity River Authority (TRA), which provides treated water to Bedford, Euless, Colleyville, Grapevine and North Richland Hills pursuant to separate, but similar contracts dated January 21, 1972, and April 25, 1979. In October 1973 the Trinity River Authority (Central Regional Wastewater System) entered into a 50-year contract with numerous cities in the Metroplex, including the City of Bedford for construction of a wastewater treatment plant to service all contracting parties.

The original 50-year duration of the contract is automatically extended through the latest maturity of any TRA outstanding debt issues.

## ECONOMIC OUTLOOK AND FINANCIAL CONDITION

The information presented in the financial statements should be considered from the broad perspective of the specific environment within which the City operates.

In recent years, the City of Bedford, located in the heart of the Dallas/Fort Worth Metropolitan area (DFW), has experienced moderate population growth. The 2020 census reflects a population of 49,928 which is a 6.28% increase from the census results of 2010 (46,979).

Multiple light manufacturing firms are in Bedford, as well as a variety of commercial establishments, restaurants, health care facilities, retail stores, shops and food stores. Several of the retail shopping centers in the City are undergoing renovation and expansion. Undeveloped property accounts for approximately 2.0% of the total area in the City.

The City is not financially dependent upon any one industry, or type of industry. The City recognizes the value of commercial development to its economic base and continues to encourage commercial growth that will be beneficial to the community. During the course of the year, the economic base experienced a 12.43% growth in sales tax collections by $1,488,900.

As a policy, the City Council has set certain economic goals that are intended to attract high quality, visually appealing businesses, as well as revitalize and invest in areas that have seen some deterioration of economic activity. By emphasizing the need to be more business friendly, the goals of the City Council seek to provide the general direction for future land use plans and decisions for the City.

Current longer range financial planning primarily revolves around several major water/sewer system infrastructure projects as well as significant improvements to our drainage system. In addition, as the City is approximately 98% built out, significant planning initiatives are being considered to provide for re-development of certain aging corridors within the City.

A few years ago, the City witnessed the widening of State Highway 183 (Airport Freeway), which runs eastbound/westbound through the center of town. During this period, Bedford officials were highly successful in retaining existing businesses while recruiting new ones to the newly expanded highway corridor. In addition, the City is working diligently with property owners to maximize development opportunities because of the expansion. This includes creating incentive agreements between the City and the business community that creates jobs, enhance the tax base and secure revenue resources for the City.

To the extent that operations result in surplus funds, we will continue to fund various capital needs of a one-time nature from the surplus rather than issuing unnecessary debt.

## ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's proprietary funds are maintained on the accrual basis.

In developing and maintaining the City's accounting system, consideration is given to the adequacy of the internal control structure. The internal control structure is designed to provide reasonable but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of the control should not exceed the benefits likely to be derived and the evaluation of cost and benefits requires estimates and judgments by management. We believe the City's internal control structure is adequate to safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The budgetary process begins each year with the preparation of revenue estimates by the City's Department of Financial Services staff and expenditure estimates by each City department. Estimates are reviewed by the City Manager and evaluated within the total financial framework. Budget proposals are recommended by the City Manager and reviewed extensively by the City Council, a process that includes a public hearing. After the conclusion of the public hearing, the City Council may make changes as deemed appropriate. The budget as amended is then adopted by ordinance, which also adopts the tax rate.

In addition, the annual budget also contains a capital improvement program which may be revised and extended each year to indicate capital improvements pending or in process of construction or acquisition. The capital program includes a list of all capital improvements that are planned during the upcoming five fiscal years, cost estimates, time schedules and methods of financing for each improvement.

## GENERAL GOVERNMENTAL FUNCTIONS

### Property Taxes

All eligible property within the City is subject to assessment, levy, and collection of a continuing, direct ad valorem tax sufficient to provide for the payment of principal and interest on outstanding bonds within the limits prescribed by law, and the payment of operation and maintenance costs as approved by the City Council. Under state law, the City is limited to a maximum tax rate of $2.50 per $100 assessed valuation.

In addition, the City's home rule charter limits the tax rate to a maximum of $1.50 per $100 assessed valuation. The appraisal of property within the City is the responsibility of the Tarrant Appraisal District (TAD). The City of Bedford and other taxing jurisdictions in Tarrant County provide a pro rata share of the budgeted expenditures incurred by TAD based upon individual levy. The City contracts with the Tarrant County Tax Office for tax billing and collection services.

## OTHER INFORMATION

### Audit

The City Charter requires an annual audit of the books of accounts, financial records and transactions of all administrative departments of the City by independent certified public accountants selected and engaged by the City Council. The Independent Auditor's Report is included in the financial section of this report.

## Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bedford for its Annual Comprehensive Financial Report (ACFR) for fiscal year ended September 30, 2020. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement a government unit must publish an easily readable and efficiently organized ACFR with contents that conform to program standards. In addition, an award winning ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. This is the 25th consecutive year the City of Bedford has received the Certificate of Achievement. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA for their consideration.

## ACKNOWLEDGMENTS

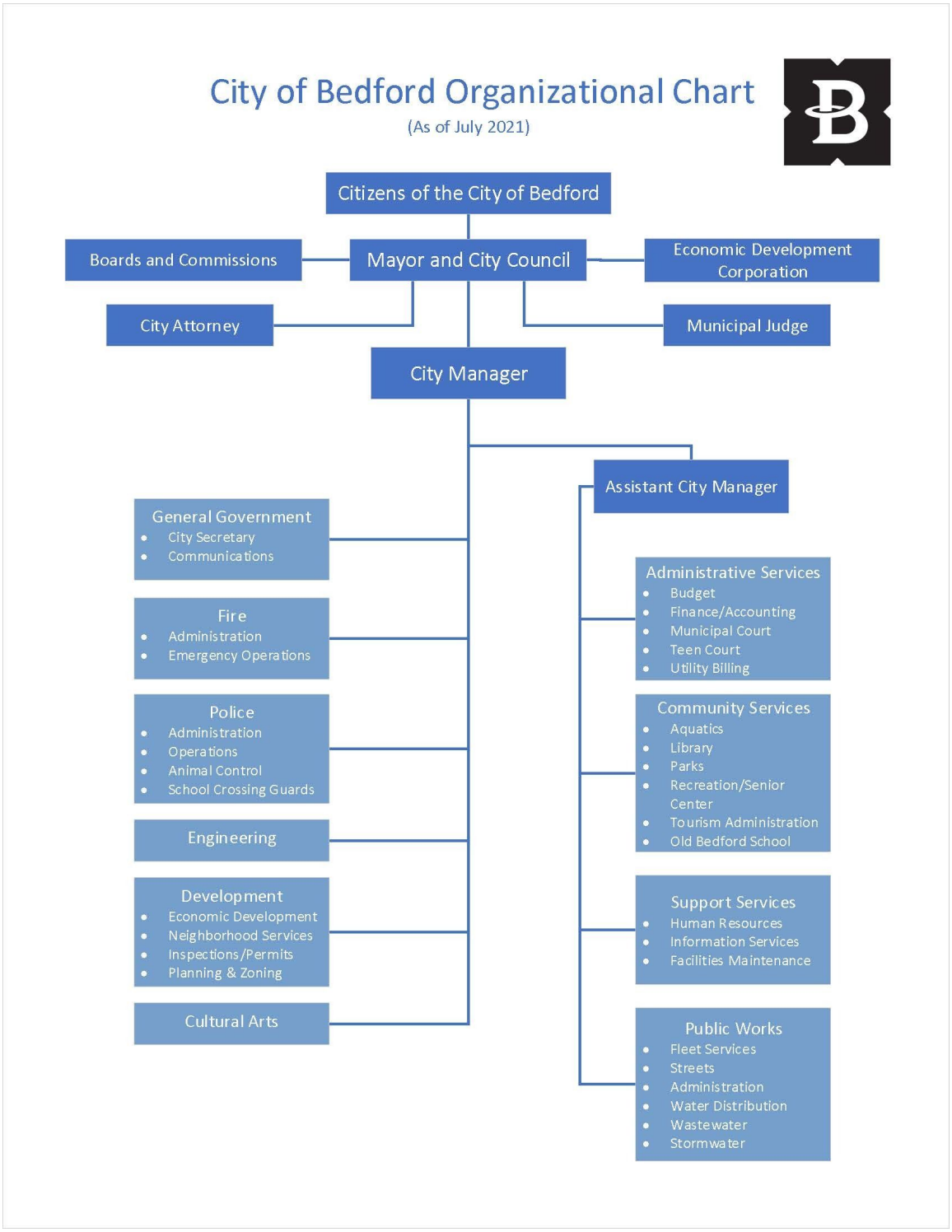
The preparation of this report could not be accomplished without the dedicated services of the entire staff of the Department of Financial Services. Many individuals devoted extra hours and exhibited dedicated effort in ensuring the accuracy and timeliness of this report. Appreciation is expressed to the City employees throughout the organization, especially those responsible for the maintenance of records upon which this report is based. Special acknowledgment is extended to Paula McPartlin, Kimberly Robinson, and the finance staff whose arduous work and dedication was instrumental in the preparation of this report. Acknowledgment is also given to representatives of Weaver and Tidwell, LLP for their assistance in producing the final product. This was the fifth year in which Weaver conducted an audit of the City's financials and a considerable amount of time and effort has been given to ensure accuracy. Our appreciation is extended to the Mayor and the members of the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

Jimmy Stathatos
City Manager

Maria Joyner, CPA
Director of Finance

# Organization Chart



# Principal Officials
# Fiscal Year 2021-2022

## BEDFORD CITY COUNCIL

**Michael Boyter, Mayor**

**Cindy Almendarez, Place 1**

**Dan Cogan, Place 2**

**Amy Sabol, Mayor Pro Tem/Place 3**

**Rich Steves, Place 4**

**Ruth Culver, Place 5**

**Rob Gagliardi, Place 6**

## EXECUTIVE LEADERSHIP TEAM

Jimmy Stathatos, City Manager

Clifford W. Blackwell, III ..... Assistant City Manager

Stephanie Ayers ..... Director of Human Resources

Molly Fox ..... Director of Communications

Maria Joyner ..... Director of Finance

Maria Redburn ..... Library Director

Andrea Roy ..... Director of Development

Cheryl Taylor ..... Director of Public Works/Engineering

Bill Walker ..... Fire Chief

Michael Wells ..... City Secretary

Jeff Williams ..... Police Chief

# Annual Comprehensive Financial Report
# Fiscal Year 2020-2021

## City of Bedford, Texas

## Prepared by the Department of Financial Services

Maria Joyner, CPA..... Director of Finance

Paula Y. McPartlin, C.G.F.O. ..... Assistant Finance Director

Kimberly Robinson, CPA .....Senior Accountant

Stephanie Spivey..... Financial Analyst

April Callahan.....Senior Accounting Technician

Charlenia Castillo.....Senior Accounting Technician

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## City of Bedford Texas

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

September 30, 2020

Christopher P. Morrill

Executive Director/CEO

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# Financial Section

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## Independent Auditor's Report

The Mayor and City Council
City of Bedford, Texas
Bedford, Texas

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bedford, Texas (the City) as of and for the year ended September 30, 2021, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

The City's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2021 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The Mayor and City Council
City of Bedford, Texas
Bedford, Texas

**Other Matters**

*Required Supplementary Information*
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, pension and other postemployment benefit information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, supplemental information including the combining fund statements and the budgetary comparison schedules, and the statistical section listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplemental information including the combining fund statements and budgetary comparison schedules listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 2, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
March 2, 2022

## Management's Discussion and Analysis

The discussion and analysis of the City of Bedford's (City) financial performance provides an overview of the City's financial activities for the fiscal year ended September 30, 2021. Please read it in conjunction with the accompanying letter of transmittal and the City's basic financial statements.

### Financial Highlights

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $75,704,004 (net position).

The City's net position decreased $9,708,108 or 11.37%. The City experienced improved total revenues from governmental activities over the prior year due primarily to an increases in tax revenues. The investment earnings decreased from $1,898,862 to $716,497 for fiscal years 2020 to 2021, respectively; resulting in a decrease of $1,182,365 or 62.27%.

On May 10, 2021, the U.S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds, established by the American Rescue Plan Act of 2021 (ARPA), to provide emergency funding for eligible state, local, territorial, and Tribal governments, to support the immediate pandemic response, bring back jobs, and lay the groundwork for a strong and equitable recovery. In Texas, both large cities – entitlement cities (populations over 50,000) and small cities and towns – non-entitlement units of local government (populations under 50,000, which includes the City of Bedford) have received ARPA funding allocations. In total, small cities, including Bedford, in Texas have been allocated approximately $1.38 billion. Fiscal Recovery Funds are intended to provide support to state, local, and tribal governments in responding to the impact of COVID-19 and in their efforts to contain the negative impacts of the COVID-19 Pandemic on their communities, residents, and businesses. The City of Bedford received a funding allocation of $12,153,653.02 in Fiscal Recovery Funds based on the report issued by the U.S. Department of the Treasury. The first payment, equal to one half of the City's allocation in the amount of $6,076,826.51, was received by the City on August 23, 2021. None of the funds were spent in this reporting period. The federal funds do not require a match and would be expended on programs that largely do not represent ongoing obligations once the federal funds are fully expended. In that these federal funds are intended to stimulate the economy, and the City's investment of these funds would be aimed at making the recipients and beneficiaries more self-sufficient, there should be a positive fiscal, economic, and tax generation impact on the City over the long term.

As of September 30, 2021, the City's governmental funds reported combined ending fund balances of $74,015,544. This represents a decrease of $19,587,626 in comparison to the prior fiscal year, as prior year debt proceeds are used for capital construction projects. Throughout the fiscal year, the City also witnessed 2.89% growth in assessed valuations that resulted in a $883,228 increase in tax revenues.

During November 2020, the City issued $5,650,000 General Obligation Bonds (Refunding), Series 2020 used to refund $5,480,000 of outstanding Series 2011 General Obligation Bonds, General Obligation Bonds (Refunding) and Certificates of Obligation. An amount of $5,589,203 was placed in an irrevocable trust to provide for future debt service payments relating to the defeased bonds and the remaining proceeds were used to fund various capital projects. Accordingly, the trust assets and liabilities for the defeased bonds are not included in the City's financial statements. The total debt obligations decreased by 0.78% from $144,156,293 to $143,030,642. In addition, as a part of annual debt service requirements, principal payments of $12,695,000 were made during the 2020/2021 fiscal year.

### Using This Annual Report

This comprehensive annual financial report consists of a series of financial statements that serve as an introduction to the City of Bedford's financial health. The statement of net position provides information about the financial activities of the City, and it presents a long-term view of the finances.

The next section is the fund financial statements which shows how municipal services are financed in the short-term. In addition, it reports the operations in more detail than what the government-wide statements provide about the City's most financially significant funds. Lastly, this report also includes other supplementary information in addition to the basic financial statements.

**Reporting the City as a Whole**

The statement of net position, also known as a balance sheet, presents the City's financials in the following manner. It compares the assets, or what is owned, against its liabilities, or what is owed, and measures the difference as the net position. The statement of activities, which is like an income statement, reports the municipal revenues in the form of contributions, program fees, charges for services, and other amounts released from restrictions. In addition, it categorizes municipal expenses in the form of primary government activities and proprietary or business-type activities. The difference between both areas, results in an increase or decrease in the net position of the statement of activities.

**Governmental Activities**. Most of the City's basic services are reported here, including the police, fire, street maintenance, parks and recreation and general administration. Taxes (property, sales, franchise, mixed beverage), licenses/permits, charges for services, and fines/forfeitures finance most of these activities.

**Business-type Activities.** The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and sewer and storm water system facilities are reported here.

The net position highlights the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Over time, increases or decreases in the City's net position exemplifies how the financial health is improving or deteriorating. By assessing health of the City, it is important to consider other nonfinancial factors including changes in the City's property tax base, the economic impact of municipal cost index and the condition of the City's capital infrastructure (roads, buildings, water, and sewer lines) to assess the value.

**Fund Financial Statements**

The fund financial statements provide detailed information about the most significant funds. Some funds are required by state law. However, the City Council establishes many other funds that fulfils specific purposes or meet statutory requirements.

The City has two funds: governmental and proprietary. Each fund uses different accounting approaches.

**Governmental Funds**

Most of the City's basic services are reported in governmental funds, which cannot be accounted for in any other specialized fund. These funds use the modified accrual basis of accounting, which recognizes revenues when they become available and measurable. They also recognize expenditures when liabilities are incurred. Fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps financial statement readers determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (of differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds within two reconciliations which outline individual financial items or factors converting the modified basis of accounting presentation to the full accrual basis of accounting presentation. These can be found following both the balance sheet and statement of revenues, expenditures and changes in fund balances.

**Proprietary Funds**

Proprietary funds use the full accrual basis of accounting. Meaning, these funds recognize the financial effect of events that impact an entity during the accounting period, regardless of whether cash was received or spent. In addition, under the full accrual basis, proprietary funds identify the full cost of services and usually create a fee structure that recaptures the true cost. A city may maintain two types of proprietary funds to record charges for the full cost of the services it provides whether to outside customers or to other units of the city. These services are reported in either Enterprise Funds or Internal Service Funds.

**Enterprise Funds**. Are used to report the same function presented as business-type activities in the government-wide financial statements. The City uses Enterprise Funds to account for its water and sewer and storm water operations.

**Internal Service Funds.** Are an accounting device used to accumulate costs internally among various functions of the City. The City currently has no operations that qualify as an Internal Service Fund.

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The City is the trustee, or fiduciary, for the retirees Other Post-Employment Benefits (OPEB). The City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Changes in Fiduciary Net Position.

**Major Governmental Funds**

As noted, Bedford uses fund accounting to ensure and demonstrate compliance within the generally accepted accounting principles. The focus of governmental funds is to provide information on inflows, outflows and balances of spendable resources. Information such as unassigned fund balance serves as a useful measure of the City's ability to finance unforeseen upcoming obligations. As a measure of the General Fund's liquidity, the year ending unassigned fund balance of $20,881,030 represents 52.42% (approximately 191 days) of next year's budgeted expenditures. The fund balance of the General Fund increased $3,138,056 during the current fiscal year. A factor for the increase in fund balance came from the City's allocation of CARES funds received to help offset the fiscal impacts of the Coronavirus pandemic (COVID-19). Activities that impacted fund balance compared to the prior year include a $2.3 million increase in Taxes, Penalty, and Interest and offset by a $1.6 million decrease in Miscellaneous revenue.

The Debt Service Fund has a total fund balance of $1,093,161, all of which is reserved for the payment of debt. The fund increased by $37,814 or 3.58% during the current year, due to a decline in principal and interest retirements. The fund has been used to not only pay annual debt service requirements but it also covers contractual service costs for arbitrage calculations as well as a pro-rata share of investment advisory services. These expenditures contribute to the total payment from the Debt Service Fund.
The Economic Development 4B Fund has a total fund balance of $3,937,544, most of which is reserved for street infrastructure improvements and maintenance. The current year fund balance increased by $993,595 or 33.75% due to a decrease in capital outlay.

The Capital Projects Fund has a total fund balance of $43,959,474, most of which is for construction projects. The current year fund balance decreased by $24,385,204 or 35.68% due to an increase in capital outlay.

**The City as a Whole**

The City's combined net position changed from a year ago, decreasing from $85,412,112 to $75,704,004. The net position and net expenses of governmental and business-type activities have significant changes occurring this year. The analysis below focuses on the net position and changes in net position of the City's governmental and business-type activities.

The net position of the City's governmental activities decreased by $10,736,853 or 27.08%, from $39,646,917 last fiscal year, to $28,910,064 as of September 30, 2021, primarily due to an increase in Public Safety expenditures. In the business-type activities, the net position increased from $45,765,195 to $46,793,940, or 2.25%, primarily due to an increase in transfers. The unrestricted net position of the City's governmental activities (the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements) decreased from $2,257,244 to (10,049,428), or 545%, as of September 30, 2021. The reason for the decrease in the governmental unrestricted net position is due to the increase in Governmental activities expenses. The unrestricted net position of the business-type activities decreased from $6,609,492 to $6,374,692 as of September 30, 2021, or 3.55%. The primary reason for the decrease is construction of capital assets using prior debt proceeds.

The restricted net position of the City, those restricted mainly for capital acquisition, debt service, economic development, public safety and parks and beautification increased from $6,520,240 to $10,818,317 or 66%, primarily due to the increase in street, drainage, and capital improvements and the increase in economic development.

The largest portion of the City's net position, $69 million, 91%, reflects an investment in capital assets, less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Resources needed to repay debt associated with acquisition of these assets must be provided from other sources, since the capital assets themselves cannot be used for this purpose.

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Current assets | $ 88,070 | $ 99,743 | $ 23,128 | $ 21,596 | $ 111,198 | $ 121,339 |
| Restricted investments | - | - | 26,322 | 28,509 | 26,322 | 28,509 |
| Capital assets | 67,109 | 41,340 | 65,267 | 64,745 | 132,376 | 106,085 |
| Total assets | 155,179 | 141,083 | 114,717 | 114,850 | 269,896 | 255,933 |
| Deferred outflows of resources | 2,940 | 1,764 | 314 | 159 | 3,254 | 1,923 |
| Current liabilities | 20,363 | 11,949 | 6,221 | 5,808 | 26,584 | 17,757 |
| Long-term liabilities | 108,006 | 89,456 | 61,943 | 63,296 | 169,949 | 152,752 |
| Total liabilities | 128,369 | 101,405 | 68,164 | 69,104 | 196,533 | 170,509 |
| Deferred inflows of resources | 840 | 1,795 | 72 | 140 | 912 | 1,935 |
| Net Position | | | | | | |
| Net Investment in capital assets | 28,141 | 30,870 | 40,413 | 39,149 | 68,554 | 70,019 |
| Restricted | 10,818 | 6,520 | 7 | 7 | 10,825 | 6,527 |
| Unrestricted | (10,049) | 2,257 | 6,375 | 6,609 | (3,674) | 8,866 |
| **Total net position** | $ 28,910 | $ 39,647 | $ 46,795 | $ 45,765 | $ 75,705 | $ 85,412 |

***Governmental Activities.*** The program revenues for the governmental activities were $6,317,641 and total general revenues and transfers were $47,377,055 for the fiscal year ending September 30, 2021. Expenses for these activities were $64,431,549. Net position for Governmental Activities decreased by $10,736,853. This was primarily caused by a 62.58% increase in General Government, Community Services, and Public Safety expenditures.

***Business-type Activities.*** The program revenues for the City's business-type activities were $25,596,030 for the fiscal year ended September 30, 2021. Expenses for these activities were $21,444,751, resulting in income of $4,151,279 from operations before nonoperating revenues and expenses. Net position with the inclusion of nonoperating activities and transfers increased by $1,028,745. This is due to increased water and sewer revenues and an increase in Capital Grants and Contributions.

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Revenues | | | | | | |
| Program revenues | | | | | | |
| Charges for services | $ 4,723 | $ 4,879 | $ 25,184 | $ 25,081 | $ 29,907 | $ 29,960 |
| Operating grants and contributions | 826 | 1,980 | - | - | 826 | 1,980 |
| Capital grants and contributions | 768 | 585 | 412 | 151 | 1,180 | 736 |
| General revenues | | | | | | |
| Property taxes | 25,363 | 24,479 | - | - | 25,363 | 24,479 |
| Other taxes | 17,611 | 15,871 | - | - | 17,611 | 15,871 |
| Interest and investment earnings | 380 | 1,356 | 337 | 543 | 717 | 1,899 |
| Gain on sale of assets | 140 | 34 | - | (10) | 140 | 24 |
| Other general revenue | 426 | 698 | - | - | 426 | 698 |
| Total revenues | 50,237 | 49,882 | 25,933 | 25,765 | 76,170 | 75,647 |
| Expenses | | | | | | |
| Public safety | 35,130 | 22,347 | - | - | 35,130 | 22,347 |
| Leisure services | 6,240 | 4,628 | - | - | 6,240 | 4,628 |
| Community services | 4,668 | 2,028 | - | - | 4,668 | 2,028 |
| General government/administration | 9,841 | 6,157 | - | - | 9,841 | 6,157 |
| Public services | 5,978 | 5,312 | - | - | 5,978 | 5,312 |
| Interest on long term debt | 2,576 | 2,753 | - | - | 2,576 | 2,753 |
| Water and sewer | - | - | 20,341 | 19,940 | 20,341 | 19,940 |
| Stormwater | - | - | 1,103 | 973 | 1,103 | 973 |
| Total expenses | 64,433 | 43,225 | 21,444 | 20,913 | 85,877 | 64,138 |
| Increases (decreases) in net position before transfers | (14,196) | 6,657 | 4,489 | 4,852 | (9,707) | 11,509 |
| Transfers | 3,459 | 2,772 | (3,459) | (2,772) | - | - |
| Increase in net position | (10,737) | 9,429 | 1,030 | 2,080 | (9,707) | 11,509 |
| Net position - October 1 | 39,647 | 30,218 | 45,765 | 43,685 | 85,412 | 73,903 |
| Net position - September 30 | $ 28,910 | $ 39,647 | $ 46,795 | $ 45,765 | $ 75,705 | $ 85,412 |

**General Fund Budgetary Highlights**

General Fund budget to actual performance for the fiscal year outperformed budgetary expectations, primarily in taxes, penalty and interest. The total operating revenues were $36,887,989, which exceeded budgetary expectations by $1,600,079. The total operating expenditures were $37,976,626, which was under budgetary expectations by $951,878. The total other financing sources were $4,226,693 which exceeded budgetary expectations by $844,610. The General Fund completed the fiscal year with a positive variance that resulted in a $3,138,056 net increase in fund balance.

**The City's Funds**

The following tables present a summary of General, Special Revenue, Capital Projects and Debt Service Fund revenues and expenditures for the fiscal year ended September 30, 2021, and the amount and percentage of increases and decreases in relation to the prior year:

**General Revenues**
**(in thousands)**

| | 2020 | 2021 | 2021 Percent of Total | Increase (Decrease) from 2020 | Percent Increase (Decrease) |
|---|---|---|---|---|---|
| Taxes | $ 40,181 | $ 43,060 | 87% | $ 2,879 | 7% |
| Licenses, permits, and fees | 1,031 | 877 | 2% | (154) | -15% |
| Charges for services | 2,427 | 2,363 | 5% | (64) | -3% |
| Fines and forfeitures | 1,048 | 1,050 | 2% | 2 | 0% |
| Intergovernmental | 678 | 508 | 1% | (170) | -25% |
| Interest | 1,356 | 380 | 1% | (976) | -72% |
| Miscellaneous | 2,729 | 1,157 | 2% | (1,572) | -58% |
| **Total** | $ 49,450 | $ 49,395 | 100% | $ (55) | 0% |

**General Expenditures**
**(in thousands)**

| | 2020 | 2021 | 2021 Percent of Total | Increase (Decrease) from 2020 | Percent Increase (Decrease) |
|---|---|---|---|---|---|
| General government | $ 3,490 | $ 4,058 | 5% | $ 568 | 16% |
| Community services | 1,897 | 2,199 | 3% | 302 | 16% |
| Public services | 4,170 | 4,297 | 5% | 127 | 3% |
| Administrative services | 2,503 | 3,327 | 4% | 824 | 33% |
| Public safety | 21,672 | 22,752 | 29% | 1,080 | 5% |
| Leisure services | 3,613 | 3,704 | 5% | 91 | 3% |
| Capital outlay | 6,752 | 31,305 | 40% | 24,553 | 364% |
| Debt service | 7,854 | 7,474 | 9% | (380) | -5% |
| **Total** | $ 51,951 | $ 79,116 | 100% | $ 27,165 | 52% |

Interest income decreased 72% due to a decline in market conditions. Capital outlay increased by 364% primarily due to expenditures related to the Phase Next Project.

***Capital Asset and Debt Administration***

*Capital Assets*

As of September 30, 2021, the City has $342,517,201 invested in capital assets including land, police and fire equipment, buildings, park facilities, roads, water, sewer, and storm water facilities. This represents a net increase of $24,376,129, or 7.66%, over last year. Capital assets net of depreciation increased by approximately $26,292,010, or 24.78%, due to water line improvements and an increase in Phase Next construction in progress. The City's capital plans for fiscal year 2021/2022 call for expenditures of approximately $30.4 million for capital projects, primarily in the following categories: park improvements, streets, water and sewer distribution system.

For fiscal year 2021/2022 the estimated capital improvement for water and sewer projects is $14,953,417. The most notable of these projects is the SWIFT Water Line Replacement project which is estimated at $20 million over five years. Many of the water lines in the City are 30 plus years old and are rapidly deteriorating. Many of the water lines that will be replaced have had multiple breaks, placing customers without service and water loss. This large project will consist of multiple smaller projects for the replacement of these lines.

The estimated park improvement for fiscal year 2021/2022 is $11.5 million for the Phase Next project. This capital improvement will consist of new ball fields, a multi-generational event facility, an indoor/outdoor aquatic center, as well as a proposed art and entertainment facility.

Additional information on capital asset activity can be found in *Note 7* of this report.

**Capital Assets at Year-End**
**(in thousands)**

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Land | $ 10,627 | $ 10,466 | $ 100 | $ 100 | $ 10,727 | $ 10,566 |
| Buildings and structures | 25,380 | 25,895 | 904 | 904 | 26,284 | 26,799 |
| Other improvements | 124,954 | 132,915 | - | - | 124,954 | 132,915 |
| Equipment | 32,458 | 32,506 | 4,073 | 4,024 | 36,531 | 36,530 |
| Utility distribution | - | - | 102,488 | 102,076 | 102,488 | 102,076 |
| Construction in progress | 35,458 | 5,526 | 6,075 | 3,729 | 41,533 | 9,255 |
| Total capital assets | 228,877 | 207,308 | 113,640 | 110,833 | 342,517 | 318,141 |
| Accumulated depreciation | (161,768) | (165,968) | (48,373) | (46,088) | (210,141) | (212,056) |
| **Total capital assets net of accumulaed depreciation** | $ 67,109 | $ 41,340 | $ 65,267 | $ 64,745 | $ 132,376 | $ 106,085 |

*Debt*

At year-end, the City had $143,030,642 in General Obligation Bonds, Combination Tax and Revenue Certificates of Obligation, Contractual Obligations and capital lease obligations compared to $144,156,293 at the end of the prior fiscal year, a decrease of 0.78%. The primary reason for the decrease is net effect of adding $11.92 million in new debt and retiring $13.04 million in bonds. In September 2021, the City issued $2,165,000 General Obligation Bonds, Series 2021. These obligations have biannual payments in February and August with an interest rate of 1.03%, and a maturity date on February 1, 2031. Proceeds from this issuance are for capital outlay expenditures. In September 2021, the City issued $4,150,000 Combination Tax and Revenue Certificates of Obligation Bonds, Series 2021A. These obligations have biannual payments in February and August with an interest rate of 1.03%, and a maturity date on February 1, 2031. Proceeds from this issuance are for capital outlay expenditures.

**Outstanding Debt at Year-End**

**(in thousands)**

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| General obligations | $ 74,285 | $ 75,026 | $ 11,171 | $ 9,087 | $ 85,456 | $ 84,113 |
| Certificates of obligation | 4,898 | 1,862 | 50,865 | 55,535 | 55,763 | 57,397 |
| Tax note | 1,811 | 2,601 | - | - | 1,811 | 2,601 |
| Capital lease | - | 44 | - | - | - | 44 |
| **Total** | $ 80,994 | $ 79,533 | $ 62,036 | $ 64,622 | $ 143,030 | $ 144,155 |

The City of Bedford maintains an "AA" rating as it pertains to general obligation bond issuances. The City's rating outlook from S&P's is "Stable." S&P's rating reflects their view of the City's strong wealth and income levels, its historically strong financial performance and reserves, and its moderate debt burden. In their opinion, the City budgetary flexibility remains very strong with reserves above 20% of expenditures. The General Obligation bonds are secured by an ad valorem tax levied against all taxable property within the City, within the limits prescribed by law. Additional information regarding the City's long-term debt can be found in *Note 8* of this report.

**Economic Factors and Next Year's Budgets and Rates**

The City experienced moderate growth in taxable values this fiscal year. The City's estimated net taxable values grew by 4.69 percent, or $230 million, thus eclipsing the 5-billion dollar mark. Therefore, the total net taxable values included in the FY 2022 adopted budget is $5,124,095,566. Even though the community is 98% developed, the City of Bedford still witnessed a 5.7% increase in residential values, as well as an increase of 2.6% and 3.6% respectively among the commercial and industrial valuations. With the new increase in values, the City reduced the tax rate from $0.569000 to $0.552000 a decrease of $0.017000.

In budget year 2022, the Council continued its goal to fund a compensation plan for employees to meet current market levels. Despite a reduction in the property tax rate, the FY 2021-2022 Budget will still generate a 5.40 percent increase in total property taxes over the current year's budget. This equates to an increase of $1,363,857. The proposed revenue generated from the new tax rate would allow the City to fund market adjustments in pay for sworn public safety personnel in addition to enhancing the step pay plan. It will also allow the City to continue its fifth year of vehicle replacements, while funding the proposed changes to the insurance benefits plans. The outlook of the City's fiscal health is stable.

Moreover, to keep up with increased wholesale water and wastewater costs, the City Council authorized pass-through rate increases for both areas. In addition, the City conducted another rate study and found that in addition to increased wholesale water and wastewater costs, additional increases in the wastewater rates were deemed necessary to meet cost of service levels. In addition, the City's commitment to the SWIFT program will meet the City Council's goal of replacing the aging water infrastructure throughout the City in addition to improving accuracy and efficiency of meter reading operations, reducing both water loss and overall related costs for the City. Staff worked with consultants to update the recommendations for rates for FY 2021-2022. The Trinity River Authority charge decreased for the upcoming year and the City did not issue debt that was factored into the rate study during the previous evaluation. Based on these circumstances, it was recommended to maintain the same rates for water and sewer service in this fiscal year, which will still provide enough funding for planned capital investments in the system.

**Contacting The City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Financial Services Division at 2000 Forest Ridge Drive, Bedford, Texas 76021.

# Basic Financial Statements

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# City of Bedford, Texas
Statement of Net Position
Year Ended September 30, 2021

| | Primary Government | | |
|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total |
| **ASSETS** | | | |
| Current assets | | | |
| Cash and cash equivalents | $ 61,160,129 | $ 13,860,697 | $ 75,020,826 |
| Investments | 22,128,530 | 5,014,721 | 27,143,251 |
| Accounts receivables, net of allowance | 4,733,308 | 3,585,893 | 8,319,201 |
| Inventories and prepaid expenses | 48,007 | 666,711 | 714,718 |
| Total current assets | 88,069,974 | 23,128,022 | 111,197,996 |
| Noncurrent assets | | | |
| Restricted investments with trustee | - | 26,321,577 | 26,321,577 |
| Capital assets, not being depreciated | 46,084,485 | 6,175,066 | 52,259,551 |
| Capital assets, being depreciated, net | 21,024,960 | 59,091,965 | 80,116,925 |
| Total noncurrent assets | 67,109,445 | 91,588,608 | 158,698,053 |
| Total assets | 155,179,419 | 114,716,630 | 269,896,049 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | |
| Deferred pension and OPEB contributions | 2,674,129 | 226,261 | 2,900,390 |
| Deferred pension and OPEB change in assumptions | 173,147 | 11,606 | 184,753 |
| Deferred pension and OPEB experience difference | 11,104 | 818 | 11,922 |
| Deferred charges on refundings | 82,090 | 75,291 | 157,381 |
| Total deferred outflows of resources | 2,940,470 | 313,976 | 3,254,446 |
| **LIABILITIES** | | | |
| Current liabilities | | | |
| Accounts payable and accrued liabilities | 7,115,207 | 2,030,031 | 9,145,238 |
| Accrued interest | 450,638 | 278,863 | 729,501 |
| Customer deposits | - | 1,154,979 | 1,154,979 |
| Unearned revenue | 6,076,827 | - | 6,076,827 |
| Current portion of bonds payable and tax notes | 5,437,909 | 2,689,856 | 8,127,765 |
| Current portion of compensated absences | 1,282,649 | 67,020 | 1,349,669 |
| Total current liabilities | 20,363,230 | 6,220,749 | 26,583,979 |
| Noncurrent liabilities | | | |
| Bonds payable and tax notes | 75,556,310 | 59,346,567 | 134,902,877 |
| Compensated absences | 2,714,325 | 134,041 | 2,848,366 |
| Net pension liability | 28,283,819 | 2,459,463 | 30,743,282 |
| Other post-employment benefits | 1,451,926 | 2,910 | 1,454,836 |
| Total noncurrent liabilities | 108,006,380 | 61,942,981 | 169,949,361 |
| Total liabilities | 128,369,610 | 68,163,730 | 196,533,340 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Deferred pension and OPEB investment difference | 838,727 | 72,933 | 911,660 |
| Deferred pension and OPEB experience difference | 1,488 | 3 | 1,491 |
| Total deferred inflows of resources | 840,215 | 72,936 | 913,151 |
| **NET POSITION** | | | |
| Net investment in capital assets | 28,141,175 | 40,412,557 | 68,553,732 |
| Restricted for | | | |
| Street, drainage, and capital improvements | 4,572,632 | 6,691 | 4,579,323 |
| Debt service | 768,830 | - | 768,830 |
| Economic development | 4,949,824 | - | 4,949,824 |
| Other purposes | 156,608 | - | 156,608 |
| Public safety | 204,599 | - | 204,599 |
| Parks and beautification | 165,824 | - | 165,824 |
| Unrestricted (deficit) | (10,049,428) | 6,374,692 | (3,674,736) |
| **TOTAL NET POSITION** | $ 28,910,064 | $ 46,793,940 | $ 75,704,004 |

The Notes to the Financial Statements are an integral part of this statement.

## City of Bedford, Texas
Statement of Activities
Year Ended September 30, 2021

| Program Activities | Expenses | Program Revenues: Charges For Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants and Contributions |
|---|---|---|---|---|
| **PRIMARY GOVERNMENT** | | | | |
| Governmental activities | | | | |
| General government and administration | $ 9,841,070 | $ 100,914 | $ 96 | $ - |
| Community services | 4,667,871 | 948,562 | - | - |
| Public services | 5,977,891 | - | - | 565,861 |
| Public safety | 35,129,701 | 3,578,738 | 825,855 | 192,106 |
| Leisure services | 6,239,508 | 95,095 | - | 10,414 |
| Interest expense | 2,575,508 | - | - | - |
| Total governmental activities | 64,431,549 | 4,723,309 | 825,951 | 768,381 |
| Business-type activities | | | | |
| Water and sewer services | 20,341,759 | 23,484,233 | - | 307,154 |
| Stormwater collection and disposal | 1,102,992 | 1,700,019 | - | 104,624 |
| Total business-type activities | 21,444,751 | 25,184,252 | - | 411,778 |
| **TOTAL PRIMARY GOVERNMENT** | $ 85,876,300 | $ 29,907,561 | $ 825,951 | $ 1,180,159 |

General revenues
Taxes
Property taxes, penalty and interest
Sales
Franchise
Occupancy
Other
Investment earnings
Gain on sale of assets
Miscellaneous
Transfers

Total general revenues and transfers

Changes in net position

Net position, beginning of year

**NET POSITION, end of year**

The Notes to the Financial Statements are an integral part of this statement.

| Net (Expenses) Revenues and Changes in Net Position | | |
|---|---|---|
| Primary Government | | |
| Governmental Activities | Business-type Activities | Total |
| $ (9,740,060) | $ - | $ (9,740,060) |
| (3,719,309) | - | (3,719,309) |
| (5,412,030) | - | (5,412,030) |
| (30,533,002) | - | (30,533,002) |
| (6,133,999) | - | (6,133,999) |
| (2,575,508) | - | (2,575,508) |
| (58,113,908) | - | (58,113,908) |
| - | 3,449,628 | 3,449,628 |
| - | 701,651 | 701,651 |
| - | 4,151,279 | 4,151,279 |
| $ (58,113,908) | $ 4,151,279 | $ (53,962,629) |
| $ 25,362,585 | $ - | $ 25,362,585 |
| 13,729,929 | - | 13,729,929 |
| 2,828,804 | - | 2,828,804 |
| 1,052,538 | - | 1,052,538 |
| - | - | - |
| 379,552 | 336,945 | 716,497 |
| 139,722 | - | 139,722 |
| 424,446 | - | 424,446 |
| 3,459,479 | (3,459,479) | - |
| 47,377,055 | (3,122,534) | 44,254,521 |
| (10,736,853) | 1,028,745 | (9,708,108) |
| 39,646,917 | 45,765,195 | 85,412,112 |
| $ 28,910,064 | $ 46,793,940 | $ 75,704,004 |

## City of Bedford, Texas
Balance Sheet – Governmental Funds
September 30, 2021

| | General | Debt Service | Economic Development 4B |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and cash equivalents | $ 13,716,811 | $ 1,055,625 | $ 3,247,270 |
| Investments | 12,600,140 | - | 500,590 |
| Receivables | | | |
| Taxes, less allowance for uncollectible | 2,865,656 | 117,600 | 632,918 |
| Accounts | 433,742 | - | - |
| Other | 276,933 | 47,743 | - |
| Due from other funds | 14,625 | - | - |
| Inventories and prepaid items | 48,007 | - | - |
| Total assets | 29,955,914 | 1,220,968 | 4,380,778 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | |
| Liabilities | | | |
| Accounts payable and accrued liabilities | 2,417,721 | 1,500 | 443,234 |
| Due to other funds | - | - | - |
| Unearned revenue | 6,076,827 | - | - |
| Total liabilities | 8,494,548 | 1,500 | 443,234 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Unavailable revenue | 496,865 | 126,307 | - |
| **FUND BALANCES** | | | |
| Nonspendable | | | |
| Inventories and prepaid items | 48,007 | - | - |
| Restricted for | | | |
| Debt service | - | 1,093,161 | - |
| Street and drainage improvements | 35,464 | - | - |
| Capital acquisition and construction | - | - | - |
| Economic development | - | - | 3,937,544 |
| Public safety | - | - | - |
| Parks and beautification | - | - | - |
| Other | - | - | - |
| Unassigned | 20,881,030 | - | - |
| Total fund balances | 20,964,501 | 1,093,161 | 3,937,544 |
| **TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | $ 29,955,914 | $ 1,220,968 | $ 4,380,778 |

The Notes to the Financial Statements are an integral part of this statement.

| Capital Projects | Nonmajor Government | Total |
|---|---|---|
| $ 39,144,536 | $ 3,995,887 | $ 61,160,129 |
| 9,027,800 | - | 22,128,530 |
| | | |
| - | - | 3,616,174 |
| - | 119,009 | 552,751 |
| 483 | 239,224 | 564,383 |
| - | - | 14,625 |
| - | - | 48,007 |
| 48,172,819 | 4,354,120 | 88,084,599 |
| | | |
| | | |
| 4,213,345 | 39,407 | 7,115,207 |
| - | 14,625 | 14,625 |
| - | - | 6,076,827 |
| 4,213,345 | 54,032 | 13,206,659 |
| | | |
| - | 239,224 | 862,396 |
| | | |
| | | |
| - | - | 48,007 |
| | | |
| - | - | 1,093,161 |
| - | 2,521,553 | 2,557,017 |
| 43,959,474 | - | 43,959,474 |
| - | 1,012,280 | 4,949,824 |
| - | 204,599 | 204,599 |
| - | 165,824 | 165,824 |
| - | 156,608 | 156,608 |
| - | - | 20,881,030 |
| 43,959,474 | 4,060,864 | 74,015,544 |
| | | |
| $ 48,172,819 | $ 4,354,120 | $ 88,084,599 |

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**City of Bedford, Texas**
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
September 30, 2021

| | | |
|---|---|---|
| Fund balances of governmental funds | | $ 74,015,544 |
| Amounts reported for governmental activities in the statement of net position are different because | | |
| Capital assets (net of accumulated depreciation) used in governmental activities are not current financial resources and therefore are not reported as assets in the governmental funds. Capital assets are reported in the government-wide financial statements, net of accumulated depreciation. | | 67,109,445 |
| Interest payable on long-term debt does not require current financial resources, therefore interest payable is not reported as a liability in the governmental funds balance sheet. | | (450,638) |
| Revenues earned but not available within 60 days of the year-end are not recognized as revenue on the fund financial statements. | | 862,396 |
| Deferred outflows of resources and deferred inflows of resources represent amounts related to future periods and, therefore, are not reported in the fund financial statements. Deferred outflows of resources and deferred inflows of resources at year-end consist of: | | |
| Employer pension and OPEB contributions | 2,674,129 | |
| Pension and OPEB change in assumptions | 173,147 | |
| Pension and OPEB Investment difference | 11,104 | |
| Deferred charges on refundings | 82,090 | |
| Pension and OPEB Investment difference | (838,727) | |
| Pension and OPEB experience difference | (1,488) | 2,100,255 |
| Noncurent liabilities, including bonds payable and net pension liability are not due and payable in the current period and therefore are not reported in the fund financial statements. Noncurrent liabilities at year-end consist of: | | |
| General and contractual obligation bonds | (78,050,000) | |
| Bond premium | (2,944,219) | |
| Net pension liability | (28,283,819) | |
| Compensated absences | (3,996,974) | |
| OPEB liability | (1,451,926) | (114,726,938) |
| Total net position of governmental activities | | $ 28,910,064 |

The Notes to the Financial Statements are an integral part of this statement.

## City of Bedford, Texas

Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds
Year Ended September 30, 2021

| | General | Debt Service | Economic Development 4B |
|---|---|---|---|
| **REVENUES** | | | |
| Taxes, penalty and interest | $ 31,184,804 | $ 7,356,329 | $ 3,466,104 |
| Licenses, permits, and fees | 877,104 | - | - |
| Charges for services | 2,361,785 | - | - |
| Fines and forfeitures | 975,586 | - | - |
| Support from governmental entities | 371,719 | - | - |
| Interest | 75,781 | 6,980 | 10,387 |
| Miscellaneous | 1,041,210 | - | - |
| Total revenues | 36,887,989 | 7,363,309 | 3,476,491 |
| **EXPENDITURES** | | | |
| Current | | | |
| General government | 4,058,025 | - | - |
| Community services | 1,848,396 | - | - |
| Public services | 2,214,184 | - | 2,083,210 |
| Administrative services | 3,257,551 | - | - |
| Public safety | 22,613,403 | - | - |
| Leisure services | 3,683,776 | - | - |
| Capital outlay | 255,854 | - | 113,726 |
| Debt service | | | |
| Principal retirement | 44,489 | 4,600,000 | - |
| Interest and fiscal agent fees | 948 | 2,741,886 | - |
| Total expenditures | 37,976,626 | 7,341,886 | 2,196,936 |
| Excess (deficiency) of revenues over (under) expenditures | (1,088,637) | 21,423 | 1,279,555 |
| **OTHER FINANCING SOURCES (USES)** | | | |
| Transfers in | 3,897,283 | - | - |
| Transfers out | (15,000) | - | (285,960) |
| Issuance of long-term debt | - | 1,275,000 | - |
| Payments to refund escrow | - | (1,258,609) | - |
| Proceeds from sale of capital assets | 139,722 | - | - |
| Insurance proceeds | 204,688 | - | - |
| Total other financing sources (uses) | 4,226,693 | 16,391 | (285,960) |
| Net change in fund balance | 3,138,056 | 37,814 | 993,595 |
| Fund balances, beginning of year | 17,826,445 | 1,055,347 | 2,943,949 |
| **FUND BALANCES, end of year** | $ 20,964,501 | $ 1,093,161 | $ 3,937,544 |

The Notes to the Financial Statements are an integral part of this statement.

| Capital Projects | Nonmajor Government | Total |
|---|---|---|
| $ - | $ 1,052,538 | $ 43,059,775 |
| - | - | 877,104 |
| - | 1,000 | 2,362,785 |
| - | 74,588 | 1,050,174 |
| - | 136,768 | 508,487 |
| 269,005 | 17,399 | 379,552 |
| - | 115,775 | 1,156,985 |
| 269,005 | 1,398,068 | 49,394,862 |
| | | |
| - | - | 4,058,025 |
| - | 350,835 | 2,199,231 |
| - | - | 4,297,394 |
| - | 69,339 | 3,326,890 |
| - | 138,996 | 22,752,399 |
| 20,549 | - | 3,704,325 |
| 30,861,660 | 73,941 | 31,305,181 |
| - | - | 4,644,489 |
| 87,000 | - | 2,829,834 |
| 30,969,209 | 633,111 | 79,117,768 |
| (30,700,204) | 764,957 | (29,722,906) |
| - | 15,000 | 3,912,283 |
| - | (151,844) | (452,804) |
| 6,315,000 | - | 7,590,000 |
| - | - | (1,258,609) |
| - | - | 139,722 |
| - | - | 204,688 |
| 6,315,000 | (136,844) | 10,135,280 |
| (24,385,204) | 628,113 | (19,587,626) |
| 68,344,678 | 3,432,751 | 93,603,170 |
| $ 43,959,474 | $ 4,060,864 | $ 74,015,544 |

## City of Bedford, Texas

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended September 30, 2021

| | | |
|---|---|---|
| Net change in fund balances – total governmental funds | | $ (19,587,626) |
| Amounts reported for governmental activities in the statement of activities are different | | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital assets recorded in the current period. | | 31,733,925 |
| The values of donated capital assets are not recorded in the governmental funds because they do not provide current financial resources, but they are recognized as capital contributions in the statement of activities. | | 113,116 |
| Depreciation expense on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds. | | (3,421,183) |
| Governmental funds report proceeds from sales of capital assets as other financing sources, but they are reported net of any remaining net book value of assets sold, or disposed of without proceeds, in the statement of activities. | | (2,656,232) |
| Current year principal payments of long-term liabilities are shown as expenditures in the fund financial statements, but shown as reductions in long-term liabilities in the government-wide financial statements as follows: | | |
| General and certificates of obligation bonds | 4,600,000 | |
| Capital lease | 44,489 | |
| | | 4,644,489 |
| The issuance of long-term debt, such as bonds and capital leases, are shown as "Other Sources" and "Other Uses" in the governmental funds, but are shown on the statement of net position with related costs amortized over the life of the bonds. Differences consist of the following: | | |
| Issuance of long-term debt | (7,590,000) | |
| Payment to escrow agent | 1,258,609 | |
| Additions (amortization) of refunding loss | (17,558) | |
| Amortization and refunding of bond premium | 250,623 | |
| | | (6,098,326) |
| Current year pension expenditures are reported on the fiscal year basis on the governmental statement of revenues, expenditures and changes in fund balance and as actuarially determined in the government-wide statement of activities. These differences are reflected in deferred outflows of resources and deferred inflow of resources balances. | | (15,983,051) |
| Current year OPEB benefit reported on the fiscal year basis on the governmental statement of revenues, expenditures and changes in fund balance and as actuarially determined in the government-wide statement of activities. These differences are reflected in OPEB liability, deferred outflows of resources and deferred inflow of resources balances. | | 315,504 |
| Current year change in long-term liability for compensated absences liability do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds. This is reflected in current and noncurrent compensated absences. | | 227,186 |
| Current year changes in accrued interest payable do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds. | | 21,261 |
| Certain revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds. This is the net change in these revenues for the year. | | (45,916) |
| Change in net position of governmental activities | | $ (10,736,853) |

The Notes to the Financial Statements are an integral part of this statement.

# City of Bedford, Texas
Statement of Net Position
Proprietary Funds
September 30, 2021

| | Water and Sewer | Stormwater Utility | Total |
|---|---|---|---|
| **ASSETS** | | | |
| Current assets | | | |
| Cash and cash equivalents | $ 10,444,974 | $ 3,415,723 | $ 13,860,697 |
| Investments | 4,262,218 | 752,503 | 5,014,721 |
| Accounts receivable, net of allowance | 3,371,682 | 214,211 | 3,585,893 |
| Prepaid items | 666,711 | - | 666,711 |
| Total current assets | 18,745,585 | 4,382,437 | 23,128,022 |
| Noncurrent assets | | | |
| Restricted investments with trustee | 26,321,577 | - | 26,321,577 |
| Property, plant and equipment | | | |
| Land | 100,255 | - | 100,255 |
| Equipment | 3,807,865 | 265,403 | 4,073,268 |
| Buildings and improvements | 903,239 | - | 903,239 |
| Utility distribution | 87,655,343 | 14,832,624 | 102,487,967 |
| Construction in progress | 3,726,509 | 2,348,302 | 6,074,811 |
| Less accumulated depreciation | (39,706,949) | (8,665,560) | (48,372,509) |
| Property, plant and equipment, net | 56,486,262 | 8,780,769 | 65,267,031 |
| Total noncurrent assets | 82,807,839 | 8,780,769 | 91,588,608 |
| Total assets | 101,553,424 | 13,163,206 | 114,716,630 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | |
| Deferred pension and OPEB contributions | 197,997 | 28,264 | 226,261 |
| Deferred pension and OPEB change in assumptions | 10,165 | 1,441 | 11,606 |
| Deferred pension and OPEB experience difference | 716 | 102 | 818 |
| Deferred charges on refundings | 34,641 | 40,650 | 75,291 |
| Total deferred outflows of resources | 243,519 | 70,457 | 313,976 |
| **LIABILITIES** | | | |
| Current liabilities | | | |
| Accounts payable and accrued liabilities | 1,936,812 | 93,219 | 2,030,031 |
| Accrued interest | 251,016 | 27,847 | 278,863 |
| Customer deposits | 1,154,979 | - | 1,154,979 |
| Current portion compensated absences | 64,476 | 2,544 | 67,020 |
| Current portion of bonds payable | 2,345,634 | 344,222 | 2,689,856 |
| Total current liabilities | 5,752,917 | 467,832 | 6,220,749 |
| Noncurrent liabilities | | | |
| Net pension liability | 2,152,030 | 307,433 | 2,459,463 |
| Bonds payable | 53,959,019 | 5,387,548 | 59,346,567 |
| Compensated absences | 128,952 | 5,089 | 134,041 |
| Other post-employment benefits | 2,910 | - | 2,910 |
| Total noncurrent liabilities | 56,242,911 | 5,700,070 | 61,942,981 |
| Total liabilities | 61,995,828 | 6,167,902 | 68,163,730 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Deferred pension and OPEB investment difference | 63,816 | 9,117 | 72,933 |
| Deferred pension and OPEB experience difference | 3 | - | 3 |
| Total deferred inflows of resources | 63,819 | 9,117 | 72,936 |
| **NET POSITION** | | | |
| Net investment in capital assets | 34,898,991 | 5,513,566 | 40,412,557 |
| Restricted for drainage improvements | - | 6,691 | 6,691 |
| Unrestricted | 4,838,305 | 1,536,387 | 6,374,692 |
| **TOTAL NET POSITION** | $ 39,737,296 | $ 7,056,644 | $ 46,793,940 |

The Notes to the Financial Statements are an integral part of this statement.

## City of Bedford, Texas

Statement of Revenues, Expenses and
Changes in Fund Net Position – Proprietary Funds
Year Ended September 30, 2021

| | Water and Sewer | Stormwater Utility | Total |
|---|---|---|---|
| **OPERATING REVENUES** | | | |
| Water sales | $ 14,596,419 | $ - | $ 14,596,419 |
| Charges for sewer services | 8,676,974 | - | 8,676,974 |
| Stormwater charges | - | 1,670,019 | 1,670,019 |
| Other | 210,840 | 30,000 | 240,840 |
| Total operating revenues | 23,484,233 | 1,700,019 | 25,184,252 |
| **OPERATING EXPENSES** | | | |
| Water supply and distribution | 8,763,667 | - | 8,763,667 |
| Wastewater collection and disposal | 4,900,651 | - | 4,900,651 |
| Billing and collection | 1,974,280 | 641,925 | 2,616,205 |
| Public services/engineering | 957,720 | - | 957,720 |
| Depreciation | 2,032,311 | 314,053 | 2,346,364 |
| Total operating expenses | 18,628,629 | 955,978 | 19,584,607 |
| **OPERATING INCOME** | 4,855,604 | 744,041 | 5,599,645 |
| **NONOPERATING REVENUES (EXPENSES)** | | | |
| Interest income | 329,888 | 7,057 | 336,945 |
| Loss on sale of assets | (238,900) | - | (238,900) |
| Interest expense and fiscal agent charges | (1,474,230) | (147,014) | (1,621,244) |
| Total nonoperating revenues (expenses) | (1,383,242) | (139,957) | (1,523,199) |
| **INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS** | 3,472,362 | 604,084 | 4,076,446 |
| **CAPITAL CONTRIBUTIONS** | 307,154 | 104,624 | 411,778 |
| **TRANSFERS IN** | 471,823 | - | 471,823 |
| **TRANSFERS OUT** | (3,340,983) | (590,319) | (3,931,302) |
| **CHANGE IN NET POSITION** | 910,356 | 118,389 | 1,028,745 |
| **NET POSITION, beginning of year** | 38,826,940 | 6,938,255 | 45,765,195 |
| **NET POSITION, end of year** | $ 39,737,296 | $ 7,056,644 | $ 46,793,940 |

The Notes to the Financial Statements are an integral part of this statement.

## City of Bedford, Texas

Statement of Cash Flows – Proprietary Funds
Year Ended September 30, 2021

| | Water and Sewer | Stormwater Utility | Total |
|---|---|---|---|
| **OPERATING ACTIVITIES** | | | |
| Receipts from customers and users | $ 23,466,680 | $ 1,705,015 | $ 25,171,695 |
| Payments to suppliers | (13,281,883) | (256,226) | (13,538,109) |
| Payments to or on behalf of employees for services | (2,357,162) | (331,949) | (2,689,111) |
| Net cash provided by operating activities | 7,827,635 | 1,116,840 | 8,944,475 |
| **NONCAPITAL FINANCING ACTIVITIES** | | | |
| Transfers in | 471,823 | - | 471,823 |
| Transfers out | (3,340,983) | (590,319) | (3,931,302) |
| Net cash used in noncapital financing activities | (2,869,160) | (590,319) | (3,459,479) |
| **CAPITAL AND RELATED FINANCING ACTIVITIES** | | | |
| Proceeds from capital related debt | 2,315,000 | 2,060,000 | 4,375,000 |
| Principal paid on capital related debt | (4,505,000) | (2,355,000) | (6,860,000) |
| Interest and fiscal agent fees | (1,547,588) | (174,195) | (1,721,783) |
| Acquisition and construction of capital assets | (2,278,176) | (417,693) | (2,695,869) |
| Net cash used in capital and related financing activities | (6,015,764) | (886,888) | (6,902,652) |
| **INVESTING ACTIVITIES** | | | |
| Purchase of investments | 2,187,873 | - | 2,187,873 |
| Proceeds from sale of investments | (75,811) | (244,505) | (320,316) |
| Interest on investments | 329,888 | 7,057 | 336,945 |
| Net cash provided by operating activities | 2,441,950 | (237,448) | 2,204,502 |
| **NET INCREASE IN CASH AND CASH EQUIVALENTS** | 1,384,661 | (597,815) | 786,846 |
| **CASH AND CASH EQUIVALENTS, beginning of year** | 9,060,313 | 4,013,538 | 13,073,851 |
| **CASH AND CASH EQUIVALENTS, end of year** | $ 10,444,974 | $ 3,415,723 | $ 13,860,697 |

The Notes to the Financial Statements are an integral part of this statement.

## City of Bedford, Texas

Statement of Cash Flows – Proprietary Funds
Year Ended September 30, 2021

| | Water and Sewer | Stormwater Utility | Total |
|---|---|---|---|
| **RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES** | | | |
| Operating income | $ 4,855,604 | $ 744,041 | $ 5,599,645 |
| Adjustments to reconcile operating income to net cash provided by operating activities | | | |
| Depreciation | 2,032,311 | 314,053 | 2,346,364 |
| Changes in | | | |
| Receivables | (42,138) | 4,996 | (37,142) |
| Prepaid items | (387,987) | - | (387,987) |
| Accounts payable and accrued liabilities | 330,503 | (56,027) | 274,476 |
| Pension & other post employment benefits | 1,055,928 | 131,836 | 1,187,764 |
| Compensated absences | (41,171) | (22,059) | (63,230) |
| Customer deposits | 24,585 | - | 24,585 |
| Net cash provided by operating activities | $ 7,827,635 | $ 1,116,840 | $ 8,944,475 |
| **SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES** | | | |
| Capital Contributions | $ 307,154 | $ 104,624 | $ 411,778 |

The Notes to the Financial Statements are an integral part of this statement.

**City of Bedford, Texas**
Statement of Fiduciary Net Position
September 30, 2021

| | OPEB Trust Fund |
|---|---|
| **ASSETS** | |
| Investments (fair value) | $ 45,035 |
| Total current assets | 45,035 |
| **NET POSITION** | |
| Restricted for other post-employment benefits | 45,035 |
| **TOTAL NET POSITION** | $ 45,035 |

The Notes to the Financial Statements are an integral part of this statement.

## City of Bedford, Texas

Statement of Changes in Fiduciary Net Position
Year Ended September 30, 2021

| | OPEB Trust Fund |
|---|---|
| **ADDITIONS** | |
| Employer contributions | $ 64,956 |
| Investment income | 4,238 |
| Total additions | 69,194 |
| **DEDUCTIONS** | |
| Benefit payments | 64,956 |
| OPEB plan administrative expense | 41 |
| Total deductions | 64,997 |
| **CHANGE IN NET POSITION** | 4,197 |
| **NET POSITION, beginning of year** | 40,838 |
| **NET POSITION, end of year** | $ 45,035 |

The Notes to the Financial Statements are an integral part of this statement.

## Note 1. Summary of Significant Accounting Policies

The City of Bedford, Texas (City) Home Rule Charter was adopted September 24, 1966. The City operates under a Council/Manager form of government and provides the following services by its charter: public safety, public works, health, culture, recreation, community development, water and sewer utilities.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles. Management uses estimates and assumptions in preparing financial statements in accordance with GAAP. Those estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, the disclosure of contingent assets and liabilities, and the reported revenues, expenditures and expenses. Actual results could vary from the estimates that are used.

Significant policies of the City are described below.

### A. Financial Reporting Entity

Generally accepted accounting principles require that financial statements present the City (primary government) and its component units. Component units are organizations for which the City is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The accompanying general purpose financial statements comply with the provisions of the GASB Statement No. 61, The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34, in that the financial statements include all organizations, activities, functions and component units for which the City is financially accountable or those which would be misleading to exclude. In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. Based on these criteria, the following blended component unit is included in the accompanying financial statements. Blended component units, although legally separate entities are, in substance, part of the City's operations.

The City Street Improvement Economic Development Corporation (EDC) is governed by a seven-member board appointed by the City Council. Although it is legally separate from the City, the EDC is reported as if it were part of the primary government because its sole purpose is to operate, maintain, and finance the costs of the City's street improvements using taxes collected under Section 4B of the Development Corporation Act of 1979. Separate financial statements are not available.

### B. Basis of Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support.

The government-wide statement of activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the City and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues.

The primary effect of internal activity has been eliminated from the government-wide financial statements. However, interfund services provided and used are not eliminated in the process of consolidation on the government-wide statement of activities.

Fund financial statements report detailed information about the City. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The City reports the following major governmental funds:

- General Fund – is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- Debt Service Fund – is used to account for the accumulation of resources for the payment of general long-term obligations principal, interest and related costs.
- Economic Development 4B Fund – is used to account for revenues and expenses associated with the operation, maintenance and financing of the costs of the City's street improvements. The fund's primary revenue source is sales taxes, and a small amount of interest.
- Capital Projects Fund – is used to account for construction projects funded from major resources such as general obligation bonds, certificates of obligation, short-term obligations and operating funds for governmental purposes.

All proprietary funds account for operations that are primarily financed by user charges.

The City reports the following proprietary funds:

- Water and Sewer Fund – accounts for providing water and sewer services to residential and commercial users in the City.
- Stormwater Utility Fund – accounts for the storm drainage runoff service provided to the residential and commercial users of the City.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**C. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and proprietary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Licenses and permits, charges for services (except for sanitation services), fines and forfeitures, rents, and concessions are recorded as revenues when received in cash because they are generally not measurable until actually received. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the City.

**D. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the City considers cash and cash equivalents to be all unrestricted cash and certificates of deposit with an original maturity date of three months or less.

**E. Investments**

Investments in debt securities and money market mutual funds are carried at fair value. Fair value is determined using quoted market prices. Investments in nonnegotiable certificates of deposit are carried at cost.

Investments in external investment pools are carried at net asset value or amortized cost, as determined by each pool's individual investment valuation method and whether there is a readily determinable fair value of the pool as of the City's fiscal year end. In instances where pools transact at amortized cost, no readily determinable fair value is deemed available.

**F. Receivables**

Accounts receivable consist primarily of amounts due from citizens for various services provided by the City as well as property taxes and sales taxes receivable. Management evaluates the adequacy of the allowance for doubtful accounts based on a review of individual accounts. The primary factors considered in determining the amount of the allowance are collection history, the aging of the accounts and other specific information known to management that may affect collectability.

**G. Inventories**

Inventories in the general and proprietary fund types are carried at cost (first-in, first-out method). The City uses the consumption method for determining cost; inventories are recognized as expenditures when consumed.

### H. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure such as roads, bridges, drainage systems and lighting systems, are reported at historical cost. Contributed assets are recorded at their acquisition value as of the date received. Depreciation is recorded on each class of depreciable property utilizing the straight-line method over the estimated useful lives of the assets. Estimated useful lives of major categories of property are:

| | |
|---|---|
| Buildings | 20 – 40 years |
| Infrastructure | 20 – 30 years |
| Water and sewer system | 50 years |
| Improvements | 10 – 20 years |
| Machinery and equipment | 3 – 10 years |

Interest expense is capitalized on contracts with durations over one-year in the proprietary funds. The minimum capitalization threshold is any item with a total cost greater than $5,000 and a useful life greater than one-year.

### I. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service from the City.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay only if the compensated absences have matured with unused reimbursable leave outstanding following an employee's resignation or retirement. Vested or accumulated vacation leave within proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

Fund allocation of related balances is determined by individual employee assignment. This assignment is uniform with regard to liquidation of such liabilities. For governmental activities, compensated absences are generally liquidated by the general fund.

### J. Defined Benefit Pension Plans

For purposes of measuring the net pension liability, pension related deferred outflows of resources and deferred inflows of resources, and pension expense, City specific information about its fiduciary net position in the Texas Municipal Retirement System (TMRS) and additions to/deductions from the City's fiduciary net position have been determined on the same basis as reported by TMRS. For this purpose, plan contributions are recognized in the period compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the City's total pension liability is obtained from TMRS through a report prepared for the City by TMRS' consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27. Fund allocation of related balances is determined by individual employee assignment. This assignment is uniform with regard to liquidation of the liability. For governmental activities, net pension liabilities are generally liquidated by the general fund.

**K. Other Post-Employment Benefits (OPEB)**

The fiduciary net position of the retiree health plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from the fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as you-go plan and all cash is held in a cash account. Fund allocation of related balances is determined by individual employee assignment. This assignment is uniform with regard to liquidation of the liability. For governmental activities, net OPEB liabilities are generally liquidated by the general fund.

**L. Deferred Outflows/Inflows of Resources**
In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources.

This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting in this category.

- *Deferred charges on refunding* – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- *Employer Contributions* – Pensions and OPEB – These contributions are those made after the measurement date through the fiscal year end (January 1st – September 30th) resulting in a cash outlay not yet recognized under GASB 68 and 75. This amount is deferred and recognized in the following fiscal year.
- *Experience difference* – Pensions and OPEB – These amounts represent the difference in expected and actual pension and OPEB experience. These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the beginning of the measurement period.
- *Assumption changes* – Pensions and OPEB – These amounts represent the difference resulting from a change in assumptions used to measure the underlying net pension and OPEB liability. These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the beginning of the measurement period.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category.

- *Experience difference* – Pensions and OPEB – These amounts represent the difference in expected and actual pension and OPEB experience. These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the beginning of the measurement period.
- *Investment difference* – Pensions and OPEB – These amounts represent the difference in projected and actual earnings on pension and OPEB plan assets. These differences are deferred and amortized over a closed five-year period.
- *Assumption changes* – Pensions and OPEB – These amounts represent the difference resulting from a change in assumptions used to measure the underlying net pension and OPEB liability. These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the beginning of the measurement period.

- *Unavailable revenue* – These amounts represent uncollected property taxes, uncollected ambulance revenue and property assessments. These amounts are deferred in the fund's financial statements and recognized once payments are received in the following fiscal year(s).

Fund allocation of pension related balances is determined by individual employee assignment and is modeled by allocation of the net pension liability. This assignment is uniform with regard to liquidation of the net pension liability.

**M. Interfund Transactions**

During the course of normal City operations, transactions occur between funds, including reimbursement of expenditures and transfers of resources to provide services, construct assets and service debt. There is no interest charged between funds for these advances. Interfund transactions are eliminated upon consolidation in the government-wide financial statements unless the transaction is deemed to be at market or near market value and is reported as revenue, expenditure or expense.

**N. Net Position**

Net position represents the difference between assets and deferred outflows, and liabilities and deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, donors, grantors or laws or regulations of other governments.

The net position of the Tourism Development Fund and the Economic Development 4B Fund are restricted by enabling legislation as indicated on the statement of net position. The City's policy is to use restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**O. Fund Balance Classification**

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- *Nonspendable* – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Balances include items not expected to be converted to cash including inventories and prepaid items.
- *Restricted* – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by ordinance of the City Council, the City's highest level of decision making authority. These amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

- *Assigned* – This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council.
- *Unassigned* – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds.

Net position restricted for other purposes represents restricted fund balances for miscellaneous donations and NETCO/Motorola Rebranding.

**P. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows of resources, deferred inflows of resources and contingent assets and liabilities as of the balance sheet date and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**Q. New Accounting Pronouncements**

The GASB pronouncements effective in fiscal year 2021 and 2022 are listed as follows:

**GASB Statement No. 84, Fiduciary Activities**

- The objective of this Statement is to provide guidance to enhance the consistency and comparability of fiduciary activity reporting by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. This standard became effective for the City in fiscal year 2021 but it had no impact on the City.

**GASB Statement No. 87, Leases**

- The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying assets. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This Standard becomes effective for the City in fiscal year 2022.

**GASB Statement No. 90, Majority Equity Interests – an Amendment to GASB Statements No. 14 and No. 61.**

- The primary objective of this Statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statements information for certain component units. The Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. This standard became effective for the City in fiscal year 2021 but it had no impact on the City.

**GASB Statement No. 92, Omnibus**

- The primary objective of this Statement is to establish accounting and financial reporting requirements for specific issues related to leases, intraentity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. This statement will become effective for the City in fiscal year 2022.

**GASB Statement No. 93, Replacement of Interbank Offered Rates**

- The primary objective of this Statement is to establish accounting and financial reporting requirements related to the replacement of IBORs in hedging derivative instruments and leases. This statement will become effective for the City in fiscal year 2021/2022.

**GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32**

- The primary objective of this Statement is to modify the applicability of certain component unit criteria as they relate to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans. This statement will become effective for the City in fiscal year 2022/immediately.

**GASB Statement No. 98, The Annual Comprehensive Financial Report**

- The primary objective of this Statement is to establish the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The City implemented this standard in fiscal year 2021.The implementation of this standard changed the report name to the Annual Comprehensive Financial Report.

**R. Subsequent Events**

The City's management has reviewed its financial statements and evaluated subsequent events for the period of time from its year ended September 30, 2021 through March 2, 2022, the date the financial statements were issued. Management is not aware of any subsequent events, other than those described below, that would require recognition or disclosure in the accompanying financial statements.

## Note 2. Deposits and Investments

The deposit and investment policies of the City are governed by State Statutes and the adopted City Investment Policy. City policies governing bank deposits require depositories to be insured by the Federal Deposit Insurance Corporation (FDIC). Financial institutions, and depositories must fully collateralize all deposits in excess of FDIC insurance limits.

Statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agency securities, repurchase agreements and municipal pools. The City utilizes a pooled investment concept for all its funds to maximize its investment program. Investment income from this internal pooling is allocated to the respective funds based upon the sources of funds invested.

Investments measured at fair value are categorized within the fair value hierarchy. Fair value refers to the price that would be received to sell as asset or paid to transfer a liability in orderly transaction between market participants at the measurement date.

The hierarchy provides a framework for measuring fair value based on three levels. The three level fair value hierarchy describes the inputs that are used to measure assets and liabilities.

| | |
|---|---|
| Level 1 | Quoted prices in active markets for identical assets or liabilities; |
| Level 2 | Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and |
| Level 3 | Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities |

The fair value hierarchy gives the highest priority to Level 1 and the lowest priority to level 3 inputs. If a price for an identical asset or liability is not observable a government should measure fair value using another valuation technique that maximizes the use of an asset inputs from more than one level of the fair value hierarchy. The measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

The following table presents the weighted average maturity, credit rating, and fair value measurements of assets recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at September 30, 2021:

| September 30, 2021 | Fair Value | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Weighted Average Maturity (Days) | Standard & Poor's Credit Rating |
|---|---|---|---|---|---|---|
| Investments by fair value level | | | | | | |
| Money market mutual funds | $ 26,321,577 | $ 26,321,577 | $ - | $ - | 1 day | AAAm |
| **Total investments by fair value level** | 26,321,577 | $ 26,321,577 | $ - | $ - | | |
| Investments measured at net asset value | | | | | | |
| TexSTAR | 3,956,963 | | | | 47 days | AAAm |
| Lone Star Investment Pool | 10,389 | | | | 40 days | Aaa |
| Texas CLASS | 13,481,004 | | | | 41 days | AAAm |
| | 17,448,356 | | | | | |
| Non-negotiable certificate of deposit | 27,143,251 | | | | 146 days | N/A |
| **Total** | $ 70,913,184 | | | | | |

Investment Pools and non-negotiable Certificates of Deposit are measured at net asset value (NAV) and are exempt from fair value reporting and therefore have been excluded from the hierarchy.

Money market mutual funds classified in Level 1 of the fair value hierarchy are valued using quoted prices in active markets for identical assets or liabilities.

The TexStar, Lone Star and Texas CLASS are external investment pools measured at NAV. These investment pool's strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short-term marketable securities. The City has no unfunded commitments related to the investment pools. Each of these investment pools has a redemption notice period of one day and may redeem daily. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national or state emergency that affects the pool's liquidity. These investment pools are authorized by the Texas Legislature. The Texas Treasury Safekeeping Trust Company is the trustee and is a limited purpose trust company authorized pursuant to Texas Government Code.

*Interest Rate Risk* — In accordance with its investment policy, the City manages its exposure to declines in fair market values by investing operating funds primarily in short-term securities, money market mutual funds or similar investment pools. Furthermore, unless matched to a specific cash flow, the City will not directly invest in securities maturing more than three years from the date of purchase.

*Credit Risk* — It is the City's policy to follow statutes, which authorize the City to invest in obligations of the U. S. Treasury agencies and instrumentalities, obligations of the state of Texas and related agencies, obligations of states, agencies, counties, cities and other political subdivisions of any state rated "A" or above by Standard & Poor's Corporation or Moody's, repurchase agreements and designated investment pools. The City's assets in investment pools meet this requirement as noted above.

*Custodial Credit Risk* — Investments — In accordance with its investment policy, the City minimizes custodial credit risk by limiting investments to the safest types of investment vehicles, prequalifying the financial institutions, brokers/dealers, intermediaries and advisors with which the City will do business and diversifying the investment portfolio so that potential losses on individual investments will be minimized. Currently, all investments are registered in the City's name.

*Custodial Credit Risk* — Deposits — The City's deposits do not have any exposure to credit risk because all deposits in financial institutions are fully collateralized by U.S. government obligations or obligations of the state of Texas and its agencies that have a value of not less than the principal amount of the deposits. The collateral is held by a third-party custodial bank as the City's agent.

*Concentration of Credit Risk* — The City limits investments to avoid concentration in securities from a specific issuer or business sector (where appropriate). As noted above, the City's investments are distributed into a variety of allowable investment vehicles. Management does not believe there is a significant risk of loss due to the credit rating and nature of the investments.

Following is a reconciliation of the City's deposit and investment balances at September 30, 2021 to the government-wide statement of net position:

| | Balance at September 30, 2021 |
|---|---|
| Investments | $ 70,913,184 |
| Deposits and cash on hand | 57,572,470 |
| | $ 128,485,654 |

| | Government-wide Statement of Net Position |
|---|---|
| Cash and cash equivalents | $ 75,020,826 |
| Investments | 27,143,251 |
| Restricted Investments with Trustee | 26,321,577 |
| | $ 128,485,654 |

## Note 3. Receivables and Governmental Funds Deferred Inflows

Receivables, including amounts due from other governments, as of September 30, 2021, for the City's individual major funds and nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

| | Governmental Funds | | | | | Proprietary Funds | | |
|---|---|---|---|---|---|---|---|---|
| | General | Debt Service | Economic Development | Capital Projects | Nonmajor Governmental | Water and Sewer | Stormwater Utility | Total |
| Receivables | | | | | | | | |
| Taxes | | | | | | | | |
| Delinquent property taxes | $ 284,457 | $ 142,586 | $ - | $ - | $ - | $ - | $ - | $ 427,043 |
| Sales taxes | 1,898,753 | - | 632,918 | - | - | - | - | 2,531,671 |
| Franchise | 689,319 | - | - | - | - | - | - | 689,319 |
| Other | 42,349 | - | - | - | - | - | - | 42,349 |
| Accounts | 433,742 | - | - | - | 119,009 | 3,533,233 | 214,211 | 4,300,195 |
| Other | 276,933 | 47,743 | - | 483 | 239,224 | - | - | 564,383 |
| Gross receivables | 3,625,553 | 190,329 | 632,918 | 483 | 358,233 | 3,533,233 | 214,211 | 8,554,960 |
| Less allowance for uncollectibles | (49,222) | (24,986) | - | - | - | (161,551) | - | (235,759) |
| **Net total receivables** | $ 3,576,331 | $ 165,343 | $ 632,918 | $ 483 | $ 358,233 | $ 3,371,682 | $ 214,211 | $ 8,319,201 |

Governmental funds report deferred inflows in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period.

At the end of the year, the various components of deferred inflows reported in the governmental funds were as follows:

| | Unavailable |
|---|---|
| Delinquent property taxes receivable (General Fund) | $ 252,388 |
| Delinquent property taxes receivable (Debt Service Fund) | 126,307 |
| Delinquent ambulance receivable (General Fund) | 244,477 |
| Assessments (Nonmajor Governmental) | 239,224 |
| **Total deferred inflows for governmental funds** | $ 862,396 |

## Note 4. Property Tax

Property taxes attach as an enforceable lien on property as of January 1. The City's property tax is levied each October 1, on the assessed value listed as of the prior January 1, for all real property and personal business property located in the City. The assessed value upon which the fiscal year 2021 levy was based was $4,752,986,468. The appraisal function is performed by the Tarrant County Appraisal District.

General property taxes are limited by the Texas Constitution to $2.50 per $100 of assessed valuation and by Home Rule Charter to $1.50 per $100 of assessed valuation for general governmental services and payment of principal and interest on long-term debt. The combined tax rate to finance general governmental service and debt service for the year ended September 30, 2021, was $0.569000 per $100 of assessed valuation.

Taxes are due by January 31 following the levy date. Current tax collection for the year ended September 30, 2021, was 99.6% of the tax levy.

Uncollected property taxes levied for the current fiscal year are recognized as receivables, and are deemed collectible in full.

## Note 5. Interfund Transfers

Interfund transfers are payments between funds that are designed to cover various operating and overhead expenses and to allocate charges for services performed by one fund on behalf of another fund.

Individual fund transfers for the year ended September 30, 2021, were:

| | Transfer In | | | |
|---|---|---|---|---|
| | General | Nonmajor Governmental | Water and Sewer | Total |
| Transfers out | | | | |
| General Fund | $ - | $ 15,000 | $ - | $ 15,000 |
| Economic Development 4B | 35,960 | - | 250,000 | 285,960 |
| Nonmajor Governmental | 151,844 | - | - | 151,844 |
| Water and Sewer | 3,340,983 | - | - | 3,340,983 |
| Stormwater Utility | 368,496 | - | 221,823 | 590,319 |
| **Total transfers out** | $ 3,897,283 | $ 15,000 | $ 471,823 | $ 4,384,106 |

Interfund transfers are used for multiple purposes. For the major funds that contain personnel, they reimburse the General Fund for administrative services and support functions. For the non-major funds/maintenance accounts, they provide funding for future capital needs and equipment replacements on a cash basis as needed.

## Note 6. Interfund Assets/Liabilities

Interfund balances reflect payments made by one fund on behalf of another fund for which cash settlement has not been made as of the end of the accounting period. Amounts due to and from other funds will be settled within the next accounting period. As of September 30, 2021, interfund balances outstanding was between the General Fund and a Nonmajor Governmental Fund as follows:

| | Due From | |
|---|---|---|
| | Nonmajor Governmental | Total |
| Due To | | |
| General Fund | $ 14,625 | $ 14,625 |
| **Total** | $ 14,625 | $ 14,625 |

The due to the General Fund from the Various Grants Fund is the result of the General Fund funding purchases prior to the receipt of grant funding.

## Note 7. Capital Assets

The following tables summarize changes in capital assets during the year ended September 30, 2021:

| | Beginning Balance | Additions | Retirements | Reclassifications | Ending Balance |
|---|---|---|---|---|---|
| Governmental Activities | | | | | |
| Capital assets, not being depreciated | | | | | |
| Land | $ 10,466,333 | $ 160,273 | $ - | $ - | $ 10,626,606 |
| Construction in progress | 5,526,946 | 30,832,659 | (437,441) | (464,285) | 35,457,879 |
| Total assets not being depreciated | 15,993,279 | 30,992,932 | (437,441) | (464,285) | 46,084,485 |
| Capital assets, being depreciated | | | | | |
| Buildings and improvements | 25,894,663 | - | (513,311) | - | 25,381,352 |
| Equipment | 32,505,741 | 184,287 | (231,872) | - | 32,458,156 |
| Improvements other than buildings | 132,914,616 | 205,537 | (8,630,770) | 464,285 | 124,953,668 |
| Total capital assets being depreciated | 191,315,020 | 389,824 | (9,375,953) | 464,285 | 182,793,176 |
| Less accumulated depreciation | | | | | |
| Buildings and improvements | (15,677,880) | (673,862) | 434,125 | - | (15,917,617) |
| Equipment | (28,513,955) | (1,333,314) | 141,819 | - | (29,705,450) |
| Improvements other than buildings | (121,776,646) | (1,414,007) | 7,045,504 | - | (116,145,149) |
| Total accumulated depreciation | (165,968,481) | (3,421,183) | 7,621,448 | - | (161,768,216) |
| Total capital assets being depreciated, net | 25,346,539 | (3,031,359) | (1,754,505) | 464,285 | 21,024,960 |
| **Governmental activities capital assets, net** | $ 41,339,818 | $ 27,961,573 | $ (2,191,946) | $ - | $ 67,109,445 |
| Business-type Activities | | | | | |
| Capital assets, not being depreciated | | | | | |
| Land | $ 100,255 | $ - | $ - | $ - | $ 100,255 |
| Construction in progress | 3,729,249 | 2,345,562 | - | - | 6,074,811 |
| Total assets not being depreciated | 3,829,504 | 2,345,562 | - | - | 6,175,066 |
| Capital assets, being depreciated | | | | | |
| Buildings and improvements | 903,239 | - | - | - | 903,239 |
| Equipment | 4,023,840 | 111,408 | (61,980) | - | 4,073,268 |
| Utility distributions | 102,076,190 | 411,777 | - | - | 102,487,967 |
| Total capital assets being depreciated | 107,003,269 | 523,185 | (61,980) | - | 107,464,474 |
| Less accumulated depreciation | | | | | |
| Buildings and improvements | (561,161) | (11,860) | - | - | (573,021) |
| Equipment | (3,703,337) | (129,052) | 61,980 | - | (3,770,409) |
| Utility distributions | (41,823,627) | (2,205,452) | - | - | (44,029,079) |
| Total accumulated depreciation | (46,088,125) | (2,346,364) | 61,980 | - | (48,372,509) |
| Total capital assets being depreciated, net | 60,915,144 | (1,823,179) | - | - | 59,091,965 |
| **Business-type activities capital assets, net** | $ 64,744,648 | $ 522,383 | $ - | $ - | $ 65,267,031 |

Depreciation expense was charged to functions/programs of the primary government as follows:

| | | |
|---|---|---|
| Governmental Activities | | |
| General government | $ | 147,001 |
| Community services | | 1,995 |
| Public services | | 1,152,224 |
| Public safety | | 1,137,500 |
| Leisure services | | 934,075 |
| Administrative services | | 48,388 |
| **Total depreciation expense – governmental activities** | $ | 3,421,183 |
| Business-type Activities | | |
| Water and sewer | $ | 2,032,311 |
| Stormwater collection and disposal | | 314,053 |
| **Total depreciation expense – business-type activities** | $ | 2,346,364 |

## Note 8. Long-term Liabilities

The following is a summary of the long-term liabilities of the City for the year ended September 30, 2021:

| | Beginning Balance | Additions | Retirements | Ending Balance | Amounts Due Within One-Year |
|---|---|---|---|---|---|
| Governmental Activities | | | | | |
| General Bonds/Certificates/Tax notes | $ 76,295,000 | $ 7,590,000 | $ (5,835,000) | $ 78,050,000 | $ 5,210,000 |
| Premium on debt | 3,194,842 | - | (250,623) | 2,944,219 | 227,909 |
| Capital lease | 44,489 | - | (44,489) | - | - |
| Compensated absences | 4,224,160 | 4,732,070 | (4,959,256) | 3,996,974 | 1,282,649 |
| Net pension liability | 10,613,978 | 17,669,841 | - | 28,283,819 | - |
| Other post-employment benefits | 1,328,824 | 123,102 | - | 1,451,926 | - |
| **Governmental activities long-term liabilities** | $ 95,701,293 | $ 30,115,013 | $ (11,089,368) | $ 114,726,938 | $ 6,720,558 |
| Business-type Activities | | | | | |
| General Obligation Bonds | $ 8,980,000 | $ 4,375,000 | $ (2,615,000) | $ 10,740,000 | $ 980,000 |
| Certificates of obligation | 55,040,000 | - | (4,245,000) | 50,795,000 | 1,655,000 |
| Premiums on debt | 601,962 | (45,683) | (54,856) | 501,423 | 54,856 |
| Compensated absences | 264,291 | 194,049 | (257,279) | 201,061 | 67,020 |
| Net pension liability | 1,049,734 | 1,409,729 | - | 2,459,463 | - |
| Other post-employment benefits | 2,663 | 247 | - | 2,910 | - |
| **Business-type activities long-term liabilities** | $ 65,938,650 | $ 5,933,342 | $ (7,172,135) | $ 64,699,857 | $ 2,756,876 |

In November 2020, the City issued $5,650,000 General Obligation Bonds (Refunding), Series 2020 used to refund $5,480,000 of outstanding Series 2011 General Obligation Bonds, General Obligation Bonds (Refunding) and Certificates of Obligation. An amount of $5,589,203 was placed in an irrevocable trust to provide for future debt service payments relating to the defeased bonds and the remaining proceeds were used to fund various capital projects. Accordingly, the trust assets and liabilities for the defeased bonds are not included in the City's financial statements. The aggregate difference in debt service between the refunding debt and the refunded debt is a savings of $758,585 which is a net present value economic gain of $695,019. The old debt exceeds the net carrying amount of the reacquisition price by $109,203.

In September 2021, the City issued $2,165,000 General Obligation Bonds, Series 2021. These obligations have biannual payments in February and August with an interest rate of 1.03%, and a maturity date on February 1, 2031. Proceeds from this issuance are for capital outlay expenditures.

In September 2021, the City issued $4,150,000 Combination Tax and Revenue Certificates of Obligation Bonds, Series 2021A. These obligations have biannual payments in February and August with an interest rate of 1.03%, and a maturity date on February 1, 2031. Proceeds from this issuance are for capital outlay expenditures.

Governmental long-term debt consists of the following individual issues at September 30, 2021:

| Series | Original Issue | Interest Rate | Debt Outstanding |
|---|---|---|---|
| General Obligation Bonds | | | |
| Series 2011 General Obligation Refunding and Improvement Bonds | 8,185,000 | 2.0% – 4.375% | - |
| Series 2013 General Obligation Refunding and Improvement Bonds | 5,375,000 | 2.0% – 4.0% | 2,050,000 |
| Series 2014 General Obligation Bonds | 3,200,000 | 2.0% – 4.0% | 2,360,000 |
| Series 2018 General Obligation Bonds | 57,540,000 | 3.125% - 5.0% | 52,075,000 |
| Series 2019 General Obligation Bonds, Taxable | 5,490,000 | 2.35% - 3.0% | 4,900,000 |
| Series 2019 General Obligation Refunding and Improvement Bonds | 7,490,000 | 2.0% - 3.0% | 6,630,000 |
| Series 2020 General Obligation Refunding Bonds | 1,275,000 | 1.27% | 1,240,000 |
| Series 2021A General Obligation Bonds | 2,165,000 | 1.03% | 2,165,000 |
| Certificates of Obligation | | | |
| Series 2021 General Tax and Revenue Certificates of Obligation | 4,150,000 | 1.03% | 4,150,000 |
| Contractual Obligations | | | |
| Series 2014 Public Property Finance Contractual Obligations | 2,300,000 | 1.0% – 2.5% | 745,000 |
| Tax Notes | | | |
| Series 2016 Tax Notes | 1,105,000 | 1.30% | - |
| Series 2019 Tax Notes | 2,750,000 | 3.0% - 5.0% | 1,735,000 |
| **Total General Obligation, Certificates of Obligation Contractual Bonds, and Tax Notes** | | | $ 78,050,000 |

Business-type long-term debt consists of the following individual issues at September 30, 2021:

| Series | Original Issue | Interest Rate | Debt Outstanding |
|---|---|---|---|
| General Obligation Bonds | | | |
| Series 2018 General Obligation Refunding and Improvement Bonds | $ 6,380,000 | 3.125% - 5.0% | $ 5,370,000 |
| Series 2019 General Obligation Refunding and Improvement Bonds | 1,325,000 | 2.0% - 3.0% | 1,120,000 |
| Series 2020 General Obligation Refunding Bonds | 4,375,000 | 1.27% | 4,250,000 |
| Certificates of Obligation | | | |
| Series 2012 Combination Tax and Revenue Certificates of Obligation | 630,000 | 0.09% – 1.4% | 360,000 |
| Series 2012A Combination Tax and Revenue Certificates of Obligation | 4,270,000 | 1.0% – 2.75% | 2,635,000 |
| Series 2015 Combination Tax and Revenue Certificates of Obligation | 30,000,000 | 0.22% – 3.210% | 26,000,000 |
| Series 2017 Combination Tax and Revenue Certificates of Obligation | 20,000,000 | 0.69% - 3.0% | 18,070,000 |
| Series 2019 Combination Tax and Revenue Certificates of Obligation | 3,990,000 | 2.0% - 4.0% | 3,730,000 |
| **Total General Obligation and Certificates of Obligation** | | | $ 61,535,000 |

Capital leases entered into prior to fiscal year 2021 totaled $785,249. Capital leases are classified as equipment, and have an amortized value of approximately $92,406 at September 30, 2021. Capital lease amortization expense has been included in depreciation expense for the year ended September 30, 2021.

The annual debt service requirement to amortize the bonds, certificates of obligation and capital lease obligations outstanding at September 30, 2021, are as follows:

Governmental Activities:

| Year Ending September 30, | Bonded Debt Obligations | Interest | Total |
|---|---|---|---|
| 2022 | $ 5,210,000 | $ 2,600,883 | $ 7,810,883 |
| 2023 | 4,875,000 | 2,432,840 | 7,307,840 |
| 2024 | 5,055,000 | 2,252,141 | 7,307,141 |
| 2025 | 4,105,000 | 2,079,887 | 6,184,887 |
| 2026 | 4,265,000 | 1,917,533 | 6,182,533 |
| 2027-2031 | 23,585,000 | 7,005,093 | 30,590,093 |
| 2032-2036 | 21,210,000 | 3,409,428 | 24,619,428 |
| 2037-2039 | 9,745,000 | 354,950 | 10,099,950 |
| | $ 78,050,000 | $ 22,052,755 | $ 100,102,755 |

Business-type Activities:

| Year Ending September 30, | Debt Obligations | Interest | Total |
|---|---|---|---|
| 2022 | $ 2,635,000 | $ 1,654,602 | $ 4,289,602 |
| 2023 | 2,690,000 | 1,601,091 | 4,291,091 |
| 2024 | 2,775,000 | 1,542,917 | 4,317,917 |
| 2025 | 2,860,000 | 1,480,200 | 4,340,200 |
| 2026 | 2,920,000 | 1,413,118 | 4,333,118 |
| 2027-2031 | 13,750,000 | 6,038,331 | 19,788,331 |
| 2032-2036 | 11,350,000 | 4,437,818 | 15,787,818 |
| 2037-2040 | 11,405,000 | 2,732,452 | 14,137,452 |
| 2041-2046 | 10,185,000 | 1,021,106 | 11,206,106 |
| 2047 | 965,000 | 28,950 | 993,950 |
| | $ 61,535,000 | $ 21,950,585 | $ 83,485,585 |

## Note 9. Retirement Plan

### A. Plan Description

The City participates as one of 895 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report that can be obtained at www.tmrs.com.

All eligible employees of the City are required to participate in TMRS.

### B. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

| | |
|---|---|
| Employee deposit rate | 7% |
| Matching ratio (City to employee) | 2 to 1 |
| Years required for vesting | 5 years |
| Service retirement eligibility (expressed as age/years of service) | 60/5, 0/20 |
| Updated service credit | 0% |
| Annuity increase (to retirees) | 0% of CPI |

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

| | |
|---|---|
| Inactive employees or beneficiaries currently receiving benefits | 89 |
| Inactive employees entitled to but not yet receiving benefits | 200 |
| Active employees | 341 |
| **Total** | 630 |

**C. Contributions**

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City are required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 9.02% and 8.92% in calendar years 2020 and 2021, respectively. The city's contributions to TMRS for the year ended September 30, 2021, were $3,411,678 and were equal to the required contributions.

**D. Net Pension Liability**

The City's Net Pension Liability (NPL) was measured as of December 31, 2020, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

*Actuarial assumptions:*
The Total Pension Liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

| | |
|---|---|
| Inflation | 2.5% per year |
| Overall payroll growth | 2.75% per year |
| Investment Rate of Return | 6.75%, net of pension plan investment expense, including inflation |

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).

The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2021 are summarized in the following table:

| Asset Class | Target Allocation | Long-term Expected Real Rate of Return |
|---|---|---|
| Global Equity | 30.0% | 5.30% |
| Core Fixed Income | 10.0% | 1.25% |
| Non-Core Fixed Income | 20.0% | 4.14% |
| Real Return | 10.0% | 3.85% |
| Real Estate | 10.0% | 4.00% |
| Absolute Return | 10.0% | 3.48% |
| Private Equity | 10.0% | 7.75% |
| **Total** | 100.0% | |

*Discount Rate*

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

*Changes in the Net Pension Liability*

| | Total Pension Liability (a) | Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
|---|---|---|---|
| Balances at December 31, 2019 | $ 43,487,746 | $ 31,824,034 | $ 11,663,712 |
| Changes for the year | | | |
| Service cost | 3,309,978 | - | 3,309,978 |
| Interest on total pension liability | 4,174,117 | - | 4,174,117 |
| Effect of difference in expected and actual experience | 543,210 | - | 543,210 |
| Change in benefit terms or inputs | 17,246,961 | - | 17,246,961 |
| Benefit payments | (1,101,861) | (1,101,861) | - |
| Administrative expenses | - | (15,631) | 15,631 |
| Employer contributions | - | 2,131,048 | (2,131,048) |
| Net investment income | - | 2,426,080 | (2,426,080) |
| Employee contributions | - | 1,653,808 | (1,653,808) |
| Other | - | (609) | 609 |
| Net changes | 24,172,405 | 5,092,835 | 19,079,570 |
| **Balances at December 31, 2020** | $ 67,660,151 | $ 36,916,869 | $ 30,743,282 |

*Sensitivity of the net pension liability to changes in the discount rate*

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

| | 1% Decrease (5.75%) | Current Single Rate Assumption (6.75%) | 1% Increase (7.75%) |
|---|---|---|---|
| City's net pension liability | $ 41,295,791 | $ 30,743,282 | $ 22,057,802 |

*Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

**E. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended September 30, 2021, the City recognized pension expense of $20,660,369.

At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ 10,173 | $ - |
| Difference in assumptions changes | 144,058 | - |
| Difference between projected and actual earnings on pension plan investments | - | (911,660) |
| Contributions subsequent to the measurement date | 2,826,411 | - |
| **Total** | $ 2,980,642 | $ (911,660) |

$2,980,642 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2021 (i.e., recognized in fiscal year ending September 30, 2022).

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending December 31, | Net Deferred Outflows (Inflows) of Resources |
|---|---|
| 2021 | $ (284,308) |
| 2022 | (29,306) |
| 2023 | (487,951) |
| 2024 | (42,173) |
| 2025 | 62,913 |
| Thereafter | 23,396 |
| **Total** | $ (757,429) |

## Note 10. Post-employment Health Care Plan

### A. Plan Description and Funding Policy

The City provides post-employment medical care (OPEB) for employees through a single-employer defined benefit medical plan. The plan provides medical benefits for eligible retirees, their spouses and dependents through the City's group health insurance plans, which cover both active and retired members. The benefit levels and contribution rates are approved annually by the City management and the City Council as part of the budget process. Since an irrevocable trust has not been established, the plan is not accounted for as a trust fund. The plan does not issue a separate financial report.

Starting January 1, 2010, the City began requiring participants who are active employees with less than 20 years of service or 60 years or more of age with less than 5 years of service to contribute an age-based full-cost premium if they choose to remain on the City's health care plan upon retirement. In return, the City will make scheduled annual contributions into a retiree health savings plan in the name of each eligible employee who has 10 years of service or more. Employees are 50% vested at 20 years of service and 100% vested at 30 years of service.

Retiring employees will pay either age-based or blended premiums depending on their status as "grandfathered" or "non-grandfathered." Blended premiums blend the cost of providing health coverage to both active employees and retirees, and will be based on the total employer/employee premium for the health plan as a whole, and will be determined annually during the budget process.

### B. Grandfathered Employees and Non-Grandfathered Employees

As of January 1, 2010, employees that have 20 years of continuous service with the City or employees having 5 years of continuous service and have reached the age of 60 will be eligible to purchase City health benefits at blended rates upon the date of their retirement if they are less than age 65. Employees who meet the requirements to stay on the plan will continue to pay both employee and employer required contributions for the retiree health plan chosen for themselves and eligible dependents. Employer and employee required contributions are determined annually by plan as part of the City's annual budget. If the spouse or eligible dependents are on the plan at the time of the employee's retirement, they can remain on the plan, until which time they are no longer eligible.

Employees who do not meet the eligibility requirements to stay on the plan will pay age-based premiums for the retiree health plan chosen for themselves and eligible dependents. These employees will participate in the City's retiree health savings plan.

### C. Benefits Provided

The City provides post-employment medical and dental care benefits to its retirees. Retirees who elect COBRA cannot later elect retiree coverage. To be eligible for coverage an employee must qualify under all three of the following:

- The retiree must have been covered for medical benefits under the City health plan as an employee immediately prior to termination of employment.
- Apply for pension benefits from TMRS in accordance with their requirements and deadlines, but in no event later than 90 days from termination of employment.
- Enroll for retiree health coverage within 30 days of the date of termination. Annual Funding Policy

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

| | |
|---|---|
| Retirees currently receiving benefits | 29 |
| Inactive employees entitled to but not yet receiving benefits | - |
| Active employees | 15 |
| **Total** | 44 |

**D. Policy Information**

**Retiree Health Plan Benefit Eligibility**
To be eligible for retiree health benefits, employees must meet the following criteria:

- Any employee who is covered under the City's health plan at the effective date of (the employee's) retirement, who is less than age 65, and who meets the "retiree" definition (as described below) may elect to continue health insurance coverage under the plan.
- Employees who are eligible and elect to stay on the plan will be required to begin paying monthly premiums immediately upon retirement.
- Employees eligible for retiree health insurance may also continue coverage for any dependents following the employee's retirement, provided the dependents were covered under the employee's health insurance as of the effective date of the employee's retirement and the appropriate enrollment forms are completed within 30 days of retirement. Anyone electing this coverage must meet all of the eligibility rules of the plan.

NOTE: When a covered retiree's spouse is employed at the time the City of Bedford employee retires, an exception to this policy may be made. The spouse may elect coverage under the City's health plan if the spouse's employment ends or the spouse's employer discontinues coverage.

- Dependents who are covered under the retiree's health insurance at the time of the retiree's death may continue coverage as follows: (a) the spouse may continue coverage following the death of the retiree until such time as the spouse remarries, dies or reaches age 65 (b) any other eligible dependent(s), as defined by the City's self-funded plan, may continue to be covered under retiree health insurance as long as all eligibility requirements of the City's plan are met.

**Retiree Health Plan Benefit Coverage**

Retirees are able to maintain retiree coverage through the City until they reach age 65 (see section below). Retirees cannot drop the City's plan and re-elect retiree benefits at a later date unless they become re-employed by the City. If this is the case, they must re-enroll into the City's retiree insurance program within 30 days of the termination from the City's re-employment.

- Retirees are able to choose from and elect the same plans offered to active employees during open enrollment each year until they reach age 65.
- Retirees who decide to elect the City's retiree health benefits will pay either age based on blended premiums depending on their status as "grandfathered" or "non-grandfathered."
- Blended premiums blend the cost of providing health coverage to both active employees and retirees, will be based on the total employer/employee premium for the health plan as a whole, and will be determined annually during the budget process.

**Retirees Age 65 or Older**

Effective January 1, 2010, retirees who are Medicare eligible or age 65 or older will have access to a more cost effective and comparable Medicare Supplement or Medicare Advantage Plan and will no longer have access to the City's health plan. Retirees will continue to have access to the City's dental plan.

- Retirees who choose to obtain coverage elsewhere may later elect one of the City's Medicare Supplement or Medicare Advantage plans when they become eligible for Medicare.
- Retirees' dependents who are under 65 years of age will be able to maintain coverage through the City's health plan. Once a dependent reaches age 65, the dependent will no longer be able to access the City's health plan, but will be able to select either the Medicare Supplement or Medicare Advantage Plan which is less expensive than the current retiree premiums and is comparable to or offers a richer benefit than the City's health plan.
- If the employee is 65 years of age or older, but is not Medicare eligible, the City will evaluate the cost of Medicare Part A premiums each year and determine whether the City will reimburse the employee for the purchase of Medicare Part A (on behalf of the retiree or whether to allow the retiree to pay the premium to stay on the City's health plan). Retirees in this situation will be notified of this determination at the end of each year for the following plan year.

**E. Applicability**

This policy applies to all regular full-time employees.

**F. Definitions**

*Retiree* — is defined as an employee who has effected retirement with the City and is eligible to retire according to the City's pension plan guidelines.

**G. Policy Authority**

The City Council authorizes this policy. The City's management team and Human Resources are responsible for interpreting and enforcing this policy.

**H. Implementation Procedures**

Employees eligible for retiree health insurance will be given written notification from Human Resources explaining their eligibility to elect retiree health insurance, the applicable premium rates for the type of coverage(s) they are eligible to continue and the procedures the employee must follow in order to elect retiree health insurance. They will also be given an election form on which to make their health insurance elections.

Employees eligible for retiree health insurance must complete the retiree health insurance election foul' and remit the appropriate premium payment as outlined in the retiree medical information packet within 30 days following the effective date of the employee's retirement; otherwise, the retiree will automatically forfeit his/her right to continue health insurance under this policy, except as provided by federal law.

Retirees who are not age 65 and who are eligible for and elect retiree coverage through the City will receive notification from the City's Human Resources Department of the discontinuation of their retiree coverage along with enrollment information for the Medicare Supplement and Medicare Advantage plans upon turning age 65.

**Termination of Retiree Health Plan Coverage**

Retiree health insurance will automatically terminate for the retiree and/or covered dependents upon the earliest of the following occurrences:

- The City ceases to provide group health insurance.
- Retiree/retiree's dependent(s) fail to remit the monthly premium payment to the City's Human Resources Department by the last day of each month.
- The retiree returns to active employment status with the City and becomes covered under a City sponsored health plan.
- Dependent(s) of the retiree cease to meet the eligibility requirements of the City's medical plan.

**I. Net OPEB Liability**

*Valuation of Assets*
For purposes of calculating the Total OPEB Liability, the plan is considered to be unfunded and therefore no assets are accumulated for OPEB.

*Actuarial Assumptions*
The OPEB Liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

| | |
|---|---|
| Inflation | 2.50% |
| Salary increases | 3.50% to 11.50% including inflation |
| Discount rate | 2.00% |
| Retirees share of benefit-related costs | $0 |

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2019, actuarial valuation, the Individual Entry-Age Normal Actuarial Cost method was used. The actuarial assumptions included a 6.5% investment rate of return (net of administrative expenses) and an annual health care cost trend rate of 7.0% initially, reduced by decrements to an ultimate rate of 4.15% after a number of years. Both rates include a 2.50% inflation assumption. The actuarial value of the plan's assets was set equal to the reported market value of assets. The assets are allocated among the divisions based on liabilities valued at 4.5%. The City's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis.

*Discount Rate*
Because the Retiree Healthcare Plan is considered an unfunded trust under GASB Statement No. 75, the relevant discount rate for calculating the Total OPEB Liability is based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of the measurement date.

*Changes in the OPEB Liability*

| | Increase (Decrease) | | |
|---|---|---|---|
| | Total OPEB Liability (a) | Plan Fiduciary Net Position (b) | Net OPEB Liability (a) - (b) |
| Balance at December 31, 2019 | $ 1,372,325 | $ 40,838 | $ 1,331,487 |
| Changes for the year: | | | |
| Service cost | 16,565 | - | 16,565 |
| Interest | 37,074 | - | 37,074 |
| Effect of plan changes | - | - | - |
| Effect of economic/demographic gains or losses | - | - | - |
| Effect of difference in expected and actual experience | 5,723 | - | 5,723 |
| Changes of assumptions | 133,140 | - | 133,140 |
| Employer contributions | - | 64,956 | (64,956) |
| Net investment income | - | 4,238 | (4,238) |
| Benefit payments | (64,956) | (64,956) | - |
| Administrative expense | - | (41) | 41 |
| Net changes | 127,546 | 4,197 | 123,349 |
| **Balance at December 31, 2020** | $ 1,499,871 | $ 45,035 | $ 1,454,836 |

*Sensitivity of the OPEB Liability to Changes in the Discount Rate*

The following presents the OPEB liability of the City, calculated using the discount rate of 2.00%, as well as what the City's OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (1.00%) or one-percentage-higher (3.00%) than the current rate:

| | 1% Decrease (1.00%) | Current Discount Rate (2.00%) | 1% Increase (3.00%) |
|---|---|---|---|
| Total OPEB liability | $ 1,666,479 | $ 1,454,836 | $ 1,281,441 |

*Sensitivity of the OPEB Liability to Healthcare Cost Trends*

| | 1% Decrease | Current Healthcare Cost Trend Rate Assumption | 1% Increase |
|---|---|---|---|
| Total OPEB liability | $ 1,274,557 | $ 1,454,836 | $ 1,673,146 |

**J. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.**

For the year ended September 30, 2021, the City recognized OPEB benefit of ($229,024).

At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience, liability | $ 1,749 | $ - |
| Changes in assumptions and other inputs | 40,695 | - |
| Net difference between expected and actual experience, assets | - | (1,491) |
| Contributions made subsequent to measurement date | 73,979 | - |
| **Total** | $ 116,423 | $ (1,491) |

$73,979 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability for the measurement year ending December 31, 2021 (i.e. recognized in fiscal year ending September 30, 2022). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

| Years Ending December 30, | Net Deferred Outfows (Inflows) of Resources |
|---|---|
| 2021 | $ 42,206 |
| 2022 | (64) |
| 2023 | (872) |
| 2024 | (317) |
| 2025 | - |
| Thereafter | - |
| **Total** | $ 40,953 |

## Note 11. Tax Abatements and Economic Incentive Agreements

The City enters into economic development agreements designed to promote development and redevelopment within the City, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of Bedford. This program rebates property and sales and use taxes and is authorized under Chapter 380 of the Texas Local Government Code. The various agreements are detailed below that rebate a percentage of property and/or sales and use taxes.

Agreements for rebate of property taxes generally call for rebates of taxes on incremental values for usually up to 10 years. The agreements for sales and use taxes provides for a rebate of 50% to 100% of the City 2% taxes on incremental values for usually up to 10 years, with the maximum being 12 years. For fiscal year 2021, the City rebated property taxes of $54,897, or 0.2% of the total levy of $24.7 million. Sales and use taxes rebated totaled $82,214 or 0.8% of the General Fund collections of $10.1 million.

### A. Retail Development Agreements

In order to promote economic development and diversity, increase employment, reduce unemployment and underemployment, expand commerce, and stimulate business and commercial activity in the State of Texas, Tarrant County, and the City of Bedford, Texas, the City, agreed to pay sales tax grants to certain developers. These grants require the construction or improvement of a minimum square feet of retail space and obtaining certificates of occupancy for certain major retailers within a specified time period, all of which have been met during the 2021 fiscal year.

An agreement was executed in January 2016 with Movie Tavern. The agreement includes a rebate of 75% of the City's sales tax of 2% for a period of ten years. The City recorded a liability for the $18,215 incurred in the current year of the agreement.

An agreement was executed in November 2012 with Cheddar's Casual Café. The agreement includes a rebate of 100% of the City's sales tax of 1% and 100% of the City's incremental property tax for a period of ten years. The City recorded a liability for the $164,117 incurred in the current year of the agreement.

An agreement was executed in March 2013 with Chilis's Brinker Texas. The agreement includes a rebate of 50% of the City's sales tax of 2% for a period of seven years. The City paid $29,252 during the current year of the grant.

An agreement was executed in January 2013 with Twisted Root Burger. The agreement includes rebates of 100% (years 1-3), 80% (years 4-7) and 60% (years 8-10) of the City's sales tax of 2% and 100% of the incremental property taxes on improvements for a period of ten years. The City recorded a liability for the $2,480 incurred in the current year of the agreement.

An agreement was executed in April 2014 with Mexican Inn. The agreement includes a rebate of 50% of the City's sales tax of 2% and 100% of the City's incremental property tax for a period of six years. The City recorded a liability for the $16,639 incurred in the current year of the agreement.

An agreement was executed in December 2014 with Texas Harley-Davidson. The agreement includes a rebate of 80% (years 1-3), 60% (years 4-7) and 40% (years 8-10) of the City's sales tax of 1% and 80% of the City's incremental property tax for a period of ten years. The City recorded a liability for the $51,009 incurred in the current year of the agreement. The City paid $109,650 during the current year of the agreement.

An agreement was executed in December 2016 with Chipotle. The agreement includes a rebate of 25% of the City's sales tax of 2% for a period of twelve years. The City recorded a liability for the $7,621 incurred in the current year of the agreement. The City paid $8,559 during the current year of the grant.

An agreement was executed in May 2017 with American Motorcycle. The agreement includes a rebate of 100% of the City's sales tax of 1% and 100% of the City's incremental property tax for a period of ten years. The City recorded a liability for the $9,357 incurred in the current year of the agreement. The City paid $9,357 during the current year of the grant.

An agreement was executed in August 2010 with State National. This agreement includes a rebate of 59% of the City's incremental property taxes on improvements for 10 years. The City paid $13,039 during the current year of the grant.

An agreement was executed in November 2020 with Northern Tool. The agreement includes a rebate of up to $20,000 of the City's incremental property tax for a period of five years. The City recorded a liability for the $20,000 incurred in the current year of the agreement.

## Note 12. Commitments and Contingencies

### A. Risk Management

The City is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City participates in the Texas Municipal League Intergovernmental Risk Pool (Risk Pool) to provide insurance for workers' compensation benefits, liability and property coverage.

At September 30, 2021, the Risk Pool was self-sustaining based on premiums charged, so that total contributions plus compounded earnings on these contributions will be sufficient to satisfy claims and liabilities and other expenses. Premiums are assessed based on the rates set by the Texas State Board of Insurance and may be adjusted, on an annual basis, by the Risk Pool's Board of Trustees for each participating political subdivision's experience. The City is not liable for payments beyond the annual contributions.

The Risk Pool has purchased stop-loss coverage to protect the assets of the pool from catastrophic losses. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years, and there have been no significant reductions in insurance coverage during the current year.

### B. Trinity River Authority of Texas

In 1972, the City entered into a contract with the Trinity River Authority (TRA) for the purchase of water. The contract shall remain in effect until all bonds, including refunding bonds, have been paid.

Under the terms of the contract, the City is obligated to pay its proportional share of operating and maintenance expenses and debt service charges by the TRA based on the ratio of estimated water usage for the ensuing year to the total estimated water usage. Total purchases during fiscal year 2021 were $9,401,095.

In 1973, the City entered into a 50-year contract with the TRA for the transportation, treatment, and disposal of sanitary sewage actually discharged and to share in the cost of operation and maintenance of the system. Total payments of $4,604,245 were made in fiscal year 2021. Additionally, $394,653 was spent with the City of Hurst for the transportation, treatment and disposal of sanitary sewage as well.

### C. Litigation

Various claims and lawsuits are pending against the City. In the opinion of the City's legal counsel and management, the potential loss on all claims after insurance will not be significant to the City's financial statements.

### D. State and Federal Programs

The City has received federal and state grants for specific purposes that are subject to review and audit by grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. In the opinion of management of the City, disallowed costs, if any, should not be material.

# Required Supplementary Information

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# City of Bedford, Texas

Schedule of Changes in the City's Net Pension Liability and Related Ratios
Texas Municipal Retirement System
Last Seven Measurement Years

| | Year Ended December 31 | | | | | | |
|---|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
| **TOTAL PENSION LIABILITY** | | | | | | | |
| Service cost | 3,309,978 | 2,948,845 | 2,996,009 | 2,703,744 | $ 2,676,451 | $ 2,515,193 | $ 1,588,982 |
| Interest (on the Total Pension Liability) | 4,174,117 | 2,705,647 | 2,410,946 | 2,139,669 | 1,866,228 | 1,643,314 | 1,439,551 |
| Changes of benefit terms | 17,246,961 | - | - | - | - | - | 1,308,563 |
| Changes in assumptions | - | (65,423) | - | - | - | 711,649 | - |
| Difference between expected and actual experience | 543,210 | (195,552) | (131,459) | (246,817) | 77,844 | (368,820) | (233,110) |
| Benefit payments, including refunds of employee contributions | (1,101,861) | (1,030,024) | (741,916) | (705,692) | (460,701) | (359,420) | (335,835) |
| Net change in total pension liability | 24,172,405 | 4,363,493 | 4,533,580 | 3,890,904 | 4,159,822 | 4,141,916 | 3,768,151 |
| Total pension liability - beginning | 43,487,746 | 39,124,253 | 34,590,673 | 30,699,769 | 26,539,947 | 22,398,031 | 18,629,880 |
| Total pension liability - ending (a) | 67,660,151 | 43,487,746 | 39,124,253 | 34,590,673 | 30,699,769 | 26,539,947 | 22,398,031 |
| **PLAN FIDICIARY NET POSITION** | | | | | | | |
| Contributions - employer | 2,131,048 | 2,111,935 | 2,137,293 | 1,919,893 | 1,705,987 | 1,611,071 | 1,032,810 |
| Contributions - employee | 1,653,808 | 1,639,548 | 1,660,496 | 1,503,273 | 1,489,019 | 1,387,526 | 972,517 |
| Net investment income | 2,426,080 | 3,915,583 | (687,085) | 2,458,477 | 949,763 | 16,795 | 525,939 |
| Benefit payments, including refunds of employee contributions | (1,101,861) | (1,030,024) | (741,916) | (705,692) | (460,701) | (359,420) | (335,835) |
| Administrative expense | (15,631) | (22,022) | (13,231) | (12,708) | (10,700) | (10,223) | (5,486) |
| Other | (609) | (662) | (691) | (643) | (577) | (505) | (451) |
| Net change in plan fiduciary net position | 5,092,835 | 6,614,358 | 2,354,866 | 5,162,600 | 3,672,791 | 2,645,244 | 2,189,494 |
| Plan fiduciary net position - beginning | 31,824,034 | 25,209,676 | 22,854,810 | 17,692,210 | 14,019,419 | 11,374,175 | 9,184,681 |
| Plan fiduciary net position - ending (b) | 36,916,869 | 31,824,034 | 25,209,676 | 22,854,810 | 17,692,210 | 14,019,419 | 11,374,175 |
| **NET PENSION LIABILITY - ending (a) - (b)** | $ 30,743,282 | $ 11,663,712 | $ 13,914,577 | $ 11,735,863 | $ 13,007,559 | $ 12,520,528 | $ 11,023,856 |
| Plan fiduciary net position as a percentage of total pension liability | 54.56% | 73.18% | 64.43% | 66.07% | 57.63% | 52.82% | 50.78% |
| Covered payroll | $ 23,625,825 | $ 23,422,120 | $ 23,721,371 | $ 21,475,333 | $ 21,258,547 | $ 21,351,384 | $ 19,450,346 |
| City's net pension liability as a percentage of covered payroll | 130.13% | 49.80% | 58.66% | 54.65% | 61.19% | 58.64% | 56.68% |

The information in this schedule has been determined as of the measurement date (December 31) of the City's net pension liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 68, only periods for which such information is available are presented.

See Notes to the Schedule of City Contributions

# City of Bedford, Texas

Schedule of City Contributions
Texas Municipal Retirement System
Last Seven Fiscal Years

| | Year Ended September 30 | | | | | | |
|---|---|---|---|---|---|---|---|
| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Actuarially determined contribution | $ 3,411,680 | $ 2,121,266 | $ 2,118,005 | $ 2,035,140 | $ 1,924,529 | $ 1,680,982 | $ 1,399,303 |
| Contributions in relation to the actuarially determined contribution | 3,411,680 | 2,121,266 | 2,118,005 | 2,035,140 | 1,924,529 | 1,680,982 | 1,399,303 |
| **Contribution deficiency (excess)** | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **Covered payroll** | $ 24,365,915 | $ 21,488,577 | $ 23,488,350 | $ 22,630,160 | $ 22,147,313 | $ 22,649,265 | $ 23,602,275 |
| Contributions as a percentage of covered payroll | 14.00% | 9.87% | 9.02% | 8.99% | 8.69% | 7.42% | 5.93% |

The information in this schedule has been determined as of the measurement date (December 31) of the City's net pension liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 68, only periods for which such information is available are presented.

See Notes to the Schedule of City Contributions

## City of Bedford, Texas

Notes to the Schedule of City Contributions
Last Seven Fiscal Years

Valuation Date: December 31, 2020
Actuarial determined contribution rates are calculated as of December 31st, each year and become effective in January, 13 months and a day later.

Methods and Assumptions Used to Determine Contribution Rates:

| | |
|---|---|
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method | Level Percentage of Payroll, Closed |
| Remaining Amortization Period | 23 years |
| Asset Valuation Method | 10 Year smoothed market; 12% soft corridor |
| Inflation | 2.50% |
| Salary Increases | 3.50% to 11.50% including inflation |
| Investment Rate of Return | 6.75% |
| Retirement Age | Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 – 2018. |
| Mortality | Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.<br>Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP. |
| Other Information: | 1) Adopted supplemental death benefits for actives.<br>2) Adopted 50% repeating USC with transfer.<br>3) Adopted restricted prior service credit. |

See Notes to the Schedule of City Contributions – Retiree Health Care Plan

## City of Bedford, Texas

Schedule of Changes in the City's Other Post-Employment Benefits Liabilities and Related Ratios – Retiree Healthcare Plan
Last Four Measurement Years

| | Year Ended December 31 | | | |
|---|---|---|---|---|
| | 2020 | 2019 | 2018 | 2017 |
| Total OPEB liability | | | | |
| Service cost | $ 16,565 | $ 20,196 | $ 33,282 | $ 28,394 |
| Interest | 37,074 | 93,755 | 86,615 | 91,716 |
| Difference between expected and actual experience | 5,723 | (1,317,943) | 5,923 | - |
| Change in assumptions | 133,140 | 95,681 | (131,216) | 164,339 |
| Employer contributions | (64,956) | (72,714) | (82,737) | (72,029) |
| Net changes | 127,546 | (1,181,025) | (88,133) | 212,420 |
| Total OPEB liability - beginning | 1,372,325 | 2,553,350 | 2,641,483 | 2,429,063 |
| **Total OPEB liability - ending** | $ 1,499,871 | $ 1,372,325 | $ 2,553,350 | $ 2,641,483 |
| Plan fiduciary net position | | | | |
| Employer contributions | $ 64,956 | $ 72,714 | $ 82,737 | $ 72,029 |
| OPEB plan net investment income | 4,238 | 5,091 | (1,599) | 3,092 |
| Benefit payments | (64,956) | (72,714) | (82,737) | (72,029) |
| OPEB plan administrative expense | (41) | - | - | - |
| Net change in plan fiduciary net position | 4,197 | 5,091 | (1,599) | 3,092 |
| Plan fiduciary net position- beginning | 40,838 | 35,747 | 37,346 | 34,254 |
| **Plan fiduciary net position- ending** | $ 45,035 | $ 40,838 | $ 35,747 | $ 37,346 |
| **Net OPEB liability - ending** | $ 1,454,836 | $ 1,331,487 | $ 2,517,603 | $ 2,604,137 |
| Plan fiduciary net position as a percentage of total OPEB liability | 3.10% | 3.07% | 1.42% | 1.43% |
| Covered employee payroll | $ 1,737,307 | $ 1,638,064 | $ 2,024,772 | $ 1,995,448 |
| Net OPEB liability as a percentage of covered employee payroll | 83.74% | 81.28% | 124.34% | 130.50% |

The information in this schedule has been determined as of the measurement date (December 31) of the City's OPEB liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 75, only periods for which such information is available are presented.

See Notes to the Schedule of City Contributions – Retiree Health Care Plan

## City of Bedford, Texas

Schedule of Contributions – Retiree Healthcare Plan
Last Four Fiscal Years

| | Year Ended September 30 | | | |
|---|---|---|---|---|
| | 2021 | 2020 | 2019 | 2018 |
| Actuarially determined contribution | $ 87,112 | $ 71,491 | $ 70,556 | $ - |
| Contributions in relation to the actuarially determined contribution | 87,112 | 71,491 | 70,556 | - |
| **Contribution deficiency (excess)** | $ - | $ - | $ - | $ - |
| **Covered payroll** | $ 1,737,307 | $ 1,408,191 | $ 1,704,133 | $ 2,105,853 |
| Contributions as a percentage of covered payroll | 5.01% | 5.08% | 4.14% | 0.00% |

The information in this schedule has been determined as of the measurement date (December 31) of the City's OPEB liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 75, only periods for which such information is available are presented.

See Notes to the Schedule of City Contributions – Retiree Health Care Plan

## City of Bedford, Texas

Notes to the Schedule of Contributions – Retiree Healthcare Plan
Last Four Fiscal Years

Valuation Date: December 31, 2019

Methods and Assumptions Used to Determine Contribution Rates:

| | |
|---|---|
| Actuarial Cost Method | Individual Entry Age Normal |
| Single Discount Rate | 2.00% as of December 31, 2020 |
| Inflation | 2.50% |
| Salary Increases | 3.50% to 11.5% including inflation |
| Demographic Assumptions | Based on the experience study covering the four-year period ending December 31, 2018 as conducted for the Texas Municipal Retirement System (TMRS). |
| Mortality | For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP tables published through 2019 to account for future mortality improvements. |
| Particpation Rates | Before age 65, participation rates vary from 30% to 70% based on years of City service. For the plan participants that are expected to not qualify for Medicare, 40% of current pre-65 retirees and 25% of current active employees were assumed to participate in the City's plan after the age of 65. |
| Healthcare cost trend rates | Initial rates of 7.0% declining to ultimate rates of 4.15% after 15 years; Ultimate trend rate includes a 1.25% adjustment for the excise tax. |
| Notes: | The discount rate changes from 2.75% as of December 31, 2019 to 2.00% as of December 31, 2020. |

## City of Bedford, Texas

Budgetary Comparison Schedule General Fund
Year Ended September 30, 2021

| | Budget Amounts | | Actual GAAP Basis | Variance with Final Budget Positive or (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Taxes, penalty and interest | $ 29,801,533 | $ 29,801,533 | $ 31,184,804 | $ 1,383,271 |
| Licenses, permits, and fees | 849,750 | 849,750 | 877,104 | 27,354 |
| Charges for services | 2,473,850 | 2,473,850 | 2,361,785 | (112,065) |
| Fines and forfeits | 1,410,500 | 1,410,500 | 975,586 | (434,914) |
| Support from other governmental entities | 349,577 | 349,577 | 371,719 | 22,142 |
| Interest | 169,300 | 169,300 | 75,781 | (93,519) |
| Miscellaneous | 233,400 | 233,400 | 1,041,210 | 807,810 |
| Total revenues | 35,287,910 | 35,287,910 | 36,887,989 | 1,600,079 |
| **EXPENDITURES** | | | | |
| General government | | | | |
| City Council | 164,150 | 164,150 | 119,981 | 44,169 |
| City Manager | 970,049 | 970,049 | 995,570 | (25,521) |
| City Secretary | 278,314 | 278,314 | 281,906 | (3,592) |
| Communications | 189,676 | 189,676 | 261,151 | (71,475) |
| Information systems | 1,081,748 | 1,081,748 | 914,168 | 167,580 |
| Human Resources | 547,085 | 547,085 | 568,170 | (21,085) |
| Facilities maintenance | 1,019,722 | 1,019,722 | 917,079 | 102,643 |
| Total general government | 4,250,744 | 4,250,744 | 4,058,025 | 192,719 |
| Community services | | | | |
| Economic development | 1,782,494 | 2,032,494 | 1,748,659 | 283,835 |
| Planning and zoning | 263,678 | 263,678 | 150,734 | 112,944 |
| Total community services | 2,046,172 | 2,296,172 | 1,899,393 | 396,779 |
| Public services | | | | |
| Maintenance services | 1,556,826 | 1,556,826 | 1,423,037 | 133,789 |
| Streets | 903,275 | 903,275 | 791,147 | 112,128 |
| Total public services | 2,460,101 | 2,460,101 | 2,214,184 | 245,917 |
| Administrative services | | | | |
| Finance | 892,018 | 892,018 | 909,462 | (17,444) |
| Nondepartmental | 1,214,400 | 1,214,400 | 1,594,276 | (379,876) |
| Municipal court | 569,415 | 569,415 | 610,835 | (41,420) |
| Teen court | 144,641 | 144,641 | 142,978 | 1,663 |
| Total administrative services | 2,820,474 | 2,820,474 | 3,257,551 | (437,077) |

See Notes to the Required Supplementary Information

## City of Bedford, Texas

Budgetary Comparison Schedule General Fund – Continued
Year Ended September 30, 2021

| | Budget Amounts | | Actual GAAP Basis | Variance with Final Budget Positive or (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **EXPENDITURES** | | | | |
| Public safety | | | | |
| Administration | 1,648,312 | 1,648,312 | 1,544,187 | 104,125 |
| Animal control | 452,886 | 452,886 | 395,966 | 56,920 |
| Criminal investigation division | 2,473,962 | 2,473,962 | 1,755,587 | 718,375 |
| Community services | 1,063,468 | 1,063,468 | 1,123,178 | (59,710) |
| COVID | - | - | 778,180 | (778,180) |
| Operations | - | - | 49,539 | (49,539) |
| Patrol | 5,110,721 | 5,110,721 | 4,986,885 | 123,836 |
| Traffic | 742,235 | 742,235 | 585,098 | 157,137 |
| Dispatch | 920,428 | 920,428 | 942,124 | (21,696) |
| Jail | 939,551 | 939,551 | 855,467 | 84,084 |
| Records | 400,967 | 400,967 | 397,640 | 3,327 |
| Fire operations | 8,528,453 | 8,528,453 | 9,199,552 | (671,099) |
| Total public safety | 22,280,983 | 22,280,983 | 22,613,403 | (332,420) |
| Leisure services | | | | |
| Library | 1,632,491 | 1,632,491 | 1,555,565 | 76,926 |
| Parks | 1,742,987 | 1,742,987 | 1,558,926 | 184,061 |
| Recreation | 850,830 | 850,830 | 455,845 | 394,985 |
| Splash | 224,909 | 224,909 | 62,443 | 162,466 |
| Total leisure services | 4,451,217 | 4,451,217 | 3,632,779 | 818,438 |
| Capital outlay | 278,400 | 278,400 | 255,854 | 22,546 |
| Debt service | 90,413 | 90,413 | 45,437 | 44,976 |
| Total expenditures | 38,678,504 | 38,928,504 | 37,976,626 | 951,878 |
| Excess (deficiency) of revenues over expenditures | (3,390,594) | (3,640,594) | (1,088,637) | 2,551,957 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 3,377,083 | 3,377,083 | 3,897,283 | 520,200 |
| Transfer out | (15,000) | (15,000) | (15,000) | - |
| Proceeds from sale of capital asset | 5,000 | 5,000 | 139,722 | 134,722 |
| Insurance proceeds | 15,000 | 15,000 | 204,688 | 189,688 |
| Total other financing sources (uses) | 3,382,083 | 3,382,083 | 4,226,693 | 844,610 |
| Net change in fund balance | (8,511) | (258,511) | 3,138,056 | 3,396,567 |
| **FUND BALANCE, beginning of year** | 17,826,445 | 17,826,445 | 17,826,445 | - |
| **FUND BALANCE, end of year** | $ 17,817,934 | $ 17,567,934 | $ 20,964,501 | $ 3,396,567 |

See Notes to the Required Supplementary Information

## City of Bedford, Texas
Budgetary Comparison Schedule
Economic Development 4B Fund
Year Ended September 30, 2021

| | Budget Amounts | | Actual GAAP Basis | Variance with Final Budget Positive or (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Taxes, penalty and interest | $ 2,900,000 | $ 2,900,000 | $ 3,466,104 | $ 566,104 |
| Interest | 45,000 | 45,000 | 10,387 | (34,613) |
| Total revenues | 2,945,000 | 2,945,000 | 3,476,491 | 531,491 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Public services | 2,521,620 | 3,040,368 | 2,083,210 | 957,158 |
| Capital outlay | 263,500 | 544,120 | 113,726 | 430,394 |
| Total expenditures | 2,785,120 | 3,584,488 | 2,196,936 | 1,387,552 |
| Excess (deficiency) of revenues over expenditures | 159,880 | (639,488) | 1,279,555 | 1,919,043 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers out | (285,960) | (285,960) | (285,960) | - |
| Total other financing sources (uses) | (285,960) | (285,960) | (285,960) | - |
| Net changes in fund balance | (126,080) | (925,448) | 993,595 | 1,919,043 |
| **FUND BALANCE, beginning of year** | 2,943,949 | 2,943,949 | 2,943,949 | - |
| **FUND BALANCE, end of year** | $ 2,817,869 | $ 2,018,501 | $ 3,937,544 | $ 1,919,043 |

See Notes to the Required Supplementary Information

## Stewardship, Compliance and Accountability

### Budgetary Information

Annual budgets are adopted for the General, Debt Service, Court Security, Court Technology, Tourism Development, Park Donation, Bedford Beautification, Economic Development, SWAT Netcast and Public Safety Training funds using the modified accrual basis of accounting.

The City Council follows these procedures in establishing budgetary data reflected in the financial statements:

- Prior to August 15, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to September 30, the budget is legally enacted through passage of an ordinance.
- The City Manager is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the City Council after public hearings.
- All unexpended appropriations lapse at year-end.

# Combining Fund Statements and Schedules

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**Special Revenue Funds**

**Special Revenue Funds** – are used to account for specific revenues that are legally restricted to expenditure for particular purposes. The City's nonmajor special revenue funds are as follows:

**Miscellaneous Donations Fund** – This fund is used to account for miscellaneous designated contributions from citizens and other governments.

**Court Security Fund** – This fund accounts for monies collected under state statute designated to provide security for the Municipal Court facilities.

**Court Technology Fund** – This fund is used for monies collected under state statute designed to provide increased technology for the Municipal Court facilities.

**Park Donation Fund** – This fund is used for contributions from citizens designated for park improvements.

**Drug Forfeiture Fund** – This fund accounts for monies received from participation in federal drug enforcement activities.

**Bedford Beautification Fund** – This fund accounts for revenue and expenditures related to various citywide beautification programs proposed by the City's Beautification Commission.

**Municipal Jury Fund** – This fund accounts for funds collected under state statute to fund juror reimbursements for jury services.

**Public Safety Training Fund** – This fund accounts for funds received from state surplus to be used for police training.

**Tourism Development Fund** – This fund accounts for hotel/motel taxes received.

**Red Light Cameras Fund** – This fund accounts for revenues generated from red light camera fines.

**NETCO/Motorola Rebanding Fund** – This fund accounts for the City's portion of proceeds received from Motorola for Northeast Tarrant County Trunked Radio Consortium (NETCO). Resolution No. 07-53.

**SWAT Netcast Fund** – This fund accounts for revenue and expenditures for the SWAT related activities.

**Truancy Prevention & Diversion Fund** – This fund accounts for the salaries, benefits, training, and other expenses to fund a Juvenile Case Manager.

**Various Grants Fund** – This fund accounts for revenues and expenditures from multiple grants, the majority of which pertain to energy conservation.

**Capital Projects Funds**

**Capital Projects Funds** – are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds. The City's nonmajor capital projects fund is as follows:

**Street and Drainage Fund** – to account for construction projects funded by developer agreements and assessments.

# City of Bedford, Texas
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2021

| | Special Revenue Funds | | | | | | |
|---|---|---|---|---|---|---|---|
| | Miscellaneous Donation | Court Security | Court Technology | Park Donation | Drug Forfeiture | Bedford Beautification | Municipal Jury |
| **ASSETS** | | | | | | | |
| Cash and cash equivalents | $ 139,804 | $ 1,495 | $ 36,142 | $ 101,442 | $ 81,475 | $ 64,439 | $ 461 |
| Investments | - | - | - | - | - | - | - |
| Receivables | | | | | | | |
| Accounts | - | - | - | 372 | 1,847 | - | - |
| Other | - | - | - | - | - | - | - |
| Total assets | $ 139,804 | $ 1,495 | $ 36,142 | $ 101,814 | $ 83,322 | $ 64,439 | $ 461 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | | | |
| Liabilities | | | | | | | |
| Accounts and contract payable | $ 1,416 | $ - | $ 38 | $ - | $ - | $ 429 | $ - |
| Due to other funds | - | - | - | - | - | - | - |
| Total liabilities | 1,416 | - | 38 | - | - | 429 | - |
| Deferred inflows of resources | | | | | | | |
| Unavailable revenue | - | - | - | - | - | - | - |
| Fund Balances - Restricted for | | | | | | | |
| Street and drainage improvements | - | - | - | - | - | - | - |
| Public safety | - | 1,495 | 36,104 | - | 83,322 | - | 461 |
| Parks and beautification | - | - | - | 101,814 | - | 64,010 | - |
| Economic development | - | - | - | - | - | - | - |
| Other | 138,388 | - | - | - | - | - | - |
| Total fund balances | 138,388 | 1,495 | 36,104 | 101,814 | 83,322 | 64,010 | 461 |
| **TOTAL LIABILITIES, DEFERRED INFLOWS, OF RESOURCES AND FUND BALANCES** | $ 139,804 | $ 1,495 | $ 36,142 | $ 101,814 | $ 83,322 | $ 64,439 | $ 461 |

| Special Revenue Funds | | | | | | | Capital Projects Fund | Total |
|---|---|---|---|---|---|---|---|---|
| Public Safety Training | Tourism Development | Red Light Cameras | NETCO/ Motorola Rebanding | SWAT Netcast | Truancy Prevention & Diversion | Various Grants | Street and Drainage | Nonmajor Governmental Funds |
| $ 11,511 | $ 949,164 | $ 11,357 | $ 4,006 | $ 58,824 | $ 14,214 | $ - | $ 2,521,553 | $ 3,995,887 |
| - | - | - | - | - | - | - | - | - |
| - | 95,159 | - | - | - | - | 21,631 | - | 119,009 |
| - | - | - | - | - | - | - | 239,224 | 239,224 |
| $ 11,511 | $ 1,044,323 | $ 11,357 | $ 4,006 | $ 58,824 | $ 14,214 | $ 21,631 | $ 2,760,777 | $ 4,354,120 |
| $ - | $ 32,043 | $ - | $ - | $ 876 | $ - | $ 4,605 | $ - | $ 39,407 |
| - | - | - | - | - | - | 14,625 | - | 14,625 |
| - | 32,043 | - | - | 876 | - | 19,230 | - | 54,032 |
| - | - | - | - | - | - | - | 239,224 | 239,224 |
| - | - | - | - | - | - | - | 2,521,553 | 2,521,553 |
| 11,511 | - | 11,357 | - | 57,948 | - | 2,401 | - | 204,599 |
| - | - | - | - | - | - | - | - | 165,824 |
| - | 1,012,280 | - | - | - | - | - | - | 1,012,280 |
| - | - | - | 4,006 | - | 14,214 | - | - | 156,608 |
| 11,511 | 1,012,280 | 11,357 | 4,006 | 57,948 | 14,214 | 2,401 | 2,521,553 | 4,060,864 |
| $ 11,511 | $ 1,044,323 | $ 11,357 | $ 4,006 | $ 58,824 | $ 14,214 | $ 21,631 | $ 2,760,777 | $ 4,354,120 |

# City of Bedford, Texas

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended September 30, 2021

| | Special Revenue Funds | | | | | | |
|---|---|---|---|---|---|---|---|
| | Miscellaneous Donation | Court Security | Court Technology | Park Donation | Drug Forfeiture | Bedford Beautification | Municipal Jury |
| **REVENUES** | | | | | | | |
| Taxes, penalty and interest | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Charges for service | - | - | - | - | - | - | - |
| Fines and forfeitures | - | 26,433 | 23,672 | - | - | - | 457 |
| Support from governmental entities | - | - | - | - | 5,442 | - | - |
| Interest | 288 | 6 | 93 | 250 | 208 | 166 | - |
| Miscellaneous | 95,800 | - | - | 9,951 | - | 10,000 | - |
| Total revenues | 96,088 | 26,439 | 23,765 | 10,201 | 5,650 | 10,166 | 457 |
| **EXPENDITURES** | | | | | | | |
| Current | | | | | | | |
| Community services | - | - | - | - | - | 8,422 | - |
| Public safety | 6,708 | - | - | 509 | 5,000 | - | - |
| Administrative services | 33,555 | - | 35,784 | - | - | - | - |
| Leisure services | - | - | - | | - | - | - |
| Capital outlay | - | - | - | - | - | - | - |
| Total expenditures | 40,263 | - | 35,784 | 509 | 5,000 | 8,422 | - |
| Excess (deficiency) of revenues over (under) expenditures | 55,825 | 26,439 | (12,019) | 9,692 | 650 | 1,744 | 457 |
| **OTHER FINANCING SOURCES (USES)** | | | | | | | |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | (25,000) | - | - | - | - | (200) |
| Total other financing sources (uses) | - | (25,000) | - | - | - | - | (200) |
| **NET CHANGES IN FUND BALANCE** | 55,825 | 1,439 | (12,019) | 9,692 | 650 | 1,744 | 257 |
| **FUND BALANCE, beginning of year** | 82,563 | 56 | 48,123 | 92,122 | 82,672 | 62,266 | 204 |
| **FUND BALANCE, end of year** | $ 138,388 | $ 1,495 | $ 36,104 | $ 101,814 | $ 83,322 | $ 64,010 | $ 461 |

| Special Revenue Funds | | | | | | | Capital Projects Fund | Total |
|---|---|---|---|---|---|---|---|---|
| Public Safety Training | Tourism Development | Red Light Cameras | NETCO/ Motorola Rebanding | SWAT Netcast | Truancy Prevention & Diversion | Various Grants | Street and Drainage | Nonmajor Governmental Funds |
| $ - | $ 1,052,538 | $ - | $ - | $ - | $ - | $ - | $ - | $ 1,052,538 |
| - | 1,000 | - | - | - | - | - | - | 1,000 |
| - | - | - | - | - | 24,026 | - | - | 74,588 |
| 6,510 | - | - | - | 45,000 | - | 79,816 | - | 136,768 |
| 27 | 1,634 | 29 | 10 | 191 | - | - | 14,497 | 17,399 |
| - | 24 | - | - | - | - | - | - | 115,775 |
| 6,537 | 1,055,196 | 29 | 10 | 45,191 | 24,026 | 79,816 | 14,497 | 1,398,068 |
| - | 331,490 | - | - | - | - | 10,923 | - | 350,835 |
| 4,851 | - | - | - | 55,436 | - | 66,492 | - | 138,996 |
| - | - | - | - | - | - | - | - | 69,339 |
| - | - | - | - | - | - | - | - | - |
| - | 73,941 | - | - | - | - | - | - | 73,941 |
| 4,851 | 405,431 | - | - | 55,436 | - | 77,415 | - | 633,111 |
| 1,686 | 649,765 | 29 | 10 | (10,245) | 24,026 | 2,401 | 14,497 | 764,957 |
| - | - | - | - | 15,000 | - | - | - | 15,000 |
| - | (106,644) | - | - | - | (20,000) | - | - | (151,844) |
| - | (106,644) | - | - | 15,000 | (20,000) | - | - | (136,844) |
| 1,686 | 543,121 | 29 | 10 | 4,755 | 4,026 | 2,401 | 14,497 | 628,113 |
| 9,825 | 469,159 | 11,328 | 3,996 | 53,193 | 10,188 | - | 2,507,056 | 3,432,751 |
| $ 11,511 | $ 1,012,280 | $ 11,357 | $ 4,006 | $ 57,948 | $ 14,214 | $ 2,401 | $ 2,521,553 | $ 4,060,864 |

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## Nonmajor Governmental Funds

### Special Revenue Funds

Annual budgets are adopted using the modified accrual basis of accounting for the following funds.

## City of Bedford, Texas

Individual Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
Nonmajor Special Revenue Funds
Year Ended September 30, 2021

| | Court Security | | | |
|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance from Budget |
| **REVENUES** | | | | |
| Taxes, penalty and interest | $ - | $ - | $ - | $ - |
| Charges for service | - | - | - | - |
| Fines and forfeitures | 25,000 | 25,000 | 26,433 | 1,433 |
| Support from governmental entities | - | - | - | - |
| Interest | - | - | 6 | 6 |
| Miscellaneous | - | - | - | - |
| Total revenues | 25,000 | 25,000 | 26,439 | 1,439 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Community services | - | - | - | - |
| Public safety | - | - | - | - |
| Administrative services | - | - | - | - |
| Leisure services | - | - | - | - |
| Capital outlay | - | - | - | - |
| Total expenditures | - | - | - | - |
| Excess (deficiency) of revenues over (under) expenditures | 25,000 | 25,000 | 26,439 | 1,439 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers out | (25,000) | (25,000) | (25,000) | - |
| Total other financing sources (uses) | (25,000) | (25,000) | (25,000) | - |
| **NET CHANGES IN FUND BALANCE** | - | - | 1,439 | 1,439 |
| **FUND BALANCE, beginning of year** | 56 | 56 | 56 | - |
| **FUND BALANCE, end of year** | $ 56 | $ 56 | $ 1,495 | $ 1,439 |

| Court Technology | | | | Park Donation | | | |
|---|---|---|---|---|---|---|---|
| Original Budget | Final Budget | Actual | Variance from Budget | Original Budget | Final Budget | Actual | Variance from Budget |
| $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | - | - | - | - |
| 45,000 | 45,000 | 23,672 | (21,328) | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 450 | 450 | 93 | (357) | 750 | 750 | 250 | (500) |
| - | - | - | - | 12,000 | 12,000 | 9,951 | (2,049) |
| 45,450 | 45,450 | 23,765 | (21,685) | 12,750 | 12,750 | 10,201 | (2,549) |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 45,710 | 45,710 | 35,784 | 9,926 | - | - | - | - |
| - | - | - | - | 50,000 | 50,000 | 509 | 49,491 |
| - | - | - | - | - | - | - | - |
| 45,710 | 45,710 | 35,784 | 9,926 | 50,000 | 50,000 | 509 | 49,491 |
| (260) | (260) | (12,019) | (11,759) | (37,250) | (37,250) | 9,692 | 46,942 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| (260) | (260) | (12,019) | (11,759) | (37,250) | (37,250) | 9,692 | 46,942 |
| 48,123 | 48,123 | 48,123 | - | 92,122 | 92,122 | 92,122 | - |
| $ 47,863 | $ 47,863 | $ 36,104 | $ (11,759) | $ 54,872 | $ 54,872 | $ 101,814 | $ 46,942 |

## City of Bedford, Texas

Individual Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
Nonmajor Special Revenue Funds – Continued
Year Ended September 30, 2021

| | Bedford Beautification | | | |
|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance from Budget |
| **REVENUES** | | | | |
| Taxes, penalty and interest | $ - | $ - | $ - | $ - |
| Charges for service | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Support from governmental entities | - | - | - | - |
| Interest | 500 | 500 | 166 | (334) |
| Miscellaneous | 10,000 | 10,000 | 10,000 | - |
| Total revenues | 10,500 | 10,500 | 10,166 | (334) |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Community services | - | - | - | - |
| Public safety | - | - | - | - |
| Administrative services | - | - | - | - |
| Leisure services | 25,000 | 25,000 | 8,422 | 16,578 |
| Capital outlay | - | - | - | - |
| Total expenditures | 25,000 | 25,000 | 8,422 | 16,578 |
| Excess (deficiency) of revenues over (under) expenditures | (14,500) | (14,500) | 1,744 | 16,244 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| **NET CHANGES IN FUND BALANCE** | (14,500) | (14,500) | 1,744 | 16,244 |
| **FUND BALANCE, beginning of year** | 62,266 | 62,266 | 62,266 | - |
| **FUND BALANCE, end of year** | $ 47,766 | $ 47,766 | $ 64,010 | $ 16,244 |

| Public Safety Training | | | | Tourism Development | | | |
|---|---|---|---|---|---|---|---|
| Original Budget | Final Budget | Actual | Variance from Budget | Original Budget | Final Budget | Actual | Variance from Budget |
| $ - | $ - | $ - | $ - | $ 1,000,000 | $ 1,000,000 | $ 1,052,538 | $ 52,538 |
| - | - | - | - | 288,100 | 288,100 | 1,000 | (287,100) |
| - | - | - | - | - | - | - | - |
| 7,100 | 7,100 | 6,510 | (590) | - | - | - | - |
| 100 | 100 | 27 | (73) | 3,000 | 3,000 | 1,634 | (1,366) |
| - | - | - | - | 650 | 650 | 24 | (626) |
| 7,200 | 7,200 | 6,537 | (663) | 1,291,750 | 1,291,750 | 1,055,196 | (236,554) |
| - | - | - | - | 1,141,926 | 1,141,926 | 331,490 | 810,436 |
| 3,000 | 3,000 | 4,851 | (1,851) | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | 73,941 | (73,941) |
| 3,000 | 3,000 | 4,851 | (1,851) | 1,141,926 | 1,141,926 | 405,431 | 736,495 |
| 4,200 | 4,200 | 1,686 | (2,514) | 149,824 | 149,824 | 649,765 | 499,941 |
| - | - | - | - | (106,644) | (106,644) | (106,644) | - |
| - | - | - | - | (106,644) | (106,644) | (106,644) | - |
| 4,200 | 4,200 | 1,686 | (2,514) | 43,180 | 43,180 | 543,121 | 499,941 |
| 9,825 | 9,825 | 9,825 | - | 469,159 | 469,159 | 469,159 | - |
| $ 14,025 | $ 14,025 | $ 11,511 | $ (2,514) | $ 512,339 | $ 512,339 | $ 1,012,280 | $ 499,941 |

## City of Bedford, Texas

Individual Schedules of Revenues, Expenditures and
Changes in Fund Balances – Budget and Actual
Nonmajor Special Revenue Funds – Continued
Year Ended September 30, 2021

| | SWAT Netcast | | | |
|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance from Budget |
| **REVENUES** | | | | |
| Taxes, penalty and interest | $ - | $ - | $ - | $ - |
| Charges for service | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Support from governmental entities | 45,000 | 45,000 | 45,000 | - |
| Interest | 250 | 250 | 191 | (59) |
| Miscellaneous | - | - | - | - |
| Total revenues | 45,250 | 45,250 | 45,191 | (59) |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Community services | - | - | - | - |
| Public safety | 60,000 | 60,000 | 55,436 | 4,564 |
| Administrative services | - | - | - | - |
| Leisure services | - | - | - | - |
| Capital outlay | - | - | - | - |
| Total expenditures | 60,000 | 60,000 | 55,436 | 4,564 |
| Excess (deficiency) of revenues over (under) expenditures | (14,750) | (14,750) | (10,245) | 4,505 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 15,000 | 15,000 | 15,000 | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | 15,000 | 15,000 | 15,000 | - |
| **NET CHANGES IN FUND BALANCE** | 250 | 250 | 4,755 | 4,505 |
| **FUND BALANCE, beginning of year** | 53,193 | 53,193 | 53,193 | - |
| **FUND BALANCE, end of year** | $ 53,443 | $ 53,443 | $ 57,948 | $ 4,505 |

**City of Bedford, Texas**
Individual Schedules of Revenues, Expenditures and
Changes in Fund Balances – Budget and Actual
Nonmajor Special Revenue Funds – Continued
Year Ended September 30, 2021

| Municipal Jury | | | | Truancy Prevention & Diversion | | | |
|---|---|---|---|---|---|---|---|
| Original Budget | Final Budget | Actual | Variance from Budget | Original Budget | Final Budget | Actual | Variance from Budget |
| $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | - | - | - | - |
| 200 | 200 | 457 | 257 | 20,000 | 20,000 | 24,026 | 4,026 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 200 | 200 | 457 | 257 | 20,000 | 20,000 | 24,026 | 4,026 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 200 | 200 | 457 | 257 | 20,000 | 20,000 | 24,026 | 4,026 |
| - | - | - | - | - | - | - | - |
| (200) | (200) | (200) | - | (20,000) | (20,000) | (20,000) | - |
| (200) | (200) | (200) | - | (20,000) | (20,000) | (20,000) | - |
| - | - | 257 | 257 | - | - | 4,026 | 4,026 |
| 204 | 204 | 204 | 204 | 10,188 | 10,188 | 10,188 | 10,188 |
| $ 204 | $ 204 | $ 461 | $ 461 | $ 10,188 | $ 10,188 | $ 14,214 | $ 14,214 |

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## Debt Service Fund

**Debt Service Fund** is used to account for the accumulation of resources for the repayment of long-term debt.

## City of Bedford, Texas

Schedule of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual
Debt Service Fund
Year Ended September 30, 2021

| | Budget Amounts | | Actual GAAP Basis | Variance with Final Budget Positive or (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Taxes, penalty and interest | $ 7,314,220 | $ 7,314,220 | $ 7,356,329 | $ 42,109 |
| Interest | 25,000 | 25,000 | 6,980 | (18,020) |
| Total revenues | 7,339,220 | 7,339,220 | 7,363,309 | 24,089 |
| **EXPENDITURES** | | | | |
| Principal retirement | 4,565,000 | 4,565,000 | 4,600,000 | (35,000) |
| Interest and fiscal agent fees | 2,769,470 | 2,769,470 | 2,741,886 | 27,584 |
| Total expenditures | 7,334,470 | 7,334,470 | 7,341,886 | (7,416) |
| Excess (deficiency) of revenues over expenditures | 4,750 | 4,750 | 21,423 | 16,673 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Issuance of long-term debt | - | - | 1,275,000 | 1,275,000 |
| Payments to refund escrow | - | - | (1,258,609) | (1,258,609) |
| Total other financing sources (uses) | - | - | 16,391 | 16,391 |
| **NET CHANGES IN FUND BALANCE** | 4,750 | 4,750 | 37,814 | (1,241,936) |
| **FUND BALANCE, beginning of year** | 1,055,347 | 1,055,347 | 1,055,347 | - |
| **FUND BALANCE, end of year** | $ 1,060,097 | $ 1,060,097 | $ 1,093,161 | $ (1,241,936) |

# Statistical Section (Unaudited)

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## Statistical Section

This part of the City of Bedford's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. The tables herein, are unaudited.

### Contents


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Financial Trends ..... 97

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity ..... 107

These schedules contain trend information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

Debt Capacity ..... 115

These schedules contain trend information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information ..... 123

The schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time with other governments.

Operating Information ..... 129

The schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.


Sources: Unless otherwise noted, the information in these schedules are derived from Annual Comprehensive Financial Reports for the relevant year.

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# Financial Trends

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**City of Bedford, Texas** **Table 1**

Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

| | 2012 | 2013 | 2014 | 2015* | 2016** | 2017*** | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| Governmental Activities | | | | | | | | | | |
| Net investment in capital assets | $ 18,908,115 | $ 14,323,066 | $ 10,378,086 | $ 12,689,825 | $ 16,607,993 | $ 16,730,480 | $ 20,557,161 | $ 26,261,635 | $ 30,869,433 | $ 28,141,175 |
| Restricted | 5,213,292 | 8,426,186 | 6,081,351 | 6,583,532 | 9,411,339 | 9,064,137 | 7,368,500 | 7,222,051 | 6,520,240 | 10,818,317 |
| Unrestricted | 1,035,005 | (20,696) | 5,653,694 | (3,086,535) | (3,727,742) | (3,770,175) | (1,847,912) | (3,266,088) | 2,257,244 | (10,049,428) |
| **Total governmental activities net position** | $ 25,156,412 | $ 22,728,556 | $ 22,113,131 | $ 16,186,822 | $ 22,291,590 | $ 22,024,442 | $ 26,077,749 | $ 30,217,598 | $ 39,646,917 | $ 28,910,064 |
| Business-type Activities | | | | | | | | | | |
| Net investment in capital assets | $ 25,139,719 | $ 20,170,192 | $ 32,812,435 | $ 33,942,144 | $ 34,388,626 | $ 35,250,028 | $ 36,338,584 | $ 39,510,350 | $ 39,149,012 | $ 40,412,557 |
| Restricted | - | - | 158,872 | - | - | 6,691 | 6,691 | 6,691 | 6,691 | 6,691 |
| Unrestricted | 7,136,012 | 11,845,248 | 5,256,555 | 4,062,030 | 4,454,409 | 5,099,493 | 6,262,758 | 4,168,137 | 6,609,492 | 6,374,692 |
| **Total business-type activities, net position** | $ 32,275,731 | $ 32,015,440 | $ 38,227,862 | $ 38,004,174 | $ 38,843,035 | $ 40,356,212 | $ 42,608,033 | $ 43,685,178 | $ 45,765,195 | $ 46,793,940 |
| Primary Government | | | | | | | | | | |
| Net investment in capital assets | $ 44,047,834 | $ 34,493,258 | $ 43,190,521 | $ 46,631,969 | $ 50,996,619 | $ 51,980,508 | $ 56,895,745 | $ 65,771,985 | $ 70,018,445 | $ 68,553,732 |
| Restricted | 5,213,292 | 8,426,186 | 6,240,223 | 6,583,532 | 9,411,339 | 9,070,828 | 7,375,191 | 7,228,742 | 6,526,931 | 10,825,008 |
| Unrestricted | 8,171,017 | 11,824,552 | 10,910,249 | 975,495 | 726,667 | 1,329,318 | 4,414,846 | 902,049 | 8,866,736 | (3,674,736) |
| **Total primary government net position** | $ 57,432,143 | $ 54,743,996 | $ 60,340,993 | $ 54,190,996 | $ 61,134,625 | $ 62,380,654 | $ 68,685,782 | $ 73,902,776 | $ 85,412,112 | $ 75,704,004 |

*Amounts for 2015 were restated from the effects of GASB Statement No. 68 implementation.
**Amounts for 2016 were restated to reflect the effects of prior period adjustment as described in prior financial statements
***Amounts for 2017 were restated to reflect the effects of GASB Statement No. 75

# City of Bedford, Texas
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2012 | 2013 | 2014 | 2015 |
| Expenses | | | | |
| Governmental activities | | | | |
| General government and administration | $ 4,796,677 | $ 4,688,432 | $ 5,688,961 | $ 5,393,564 |
| Community services | 1,986,123 | 2,017,011 | 1,549,075 | 1,744,633 |
| Public services | 8,354,007 | 3,486,148 | 3,431,383 | 3,655,287 |
| Public safety | 17,292,190 | 22,828,761 | 23,669,141 | 22,264,933 |
| Leisure services | 3,690,814 | 3,765,867 | 3,823,403 | 4,068,948 |
| Interest expense | 2,169,120 | 1,724,511 | 1,288,725 | 1,301,208 |
| Total governmental activities expense | 38,288,931 | 38,510,730 | 39,450,688 | 38,428,573 |
| Business-type activities | | | | |
| Water and sewer services | 15,112,250 | 15,645,261 | 16,560,909 | 16,746,182 |
| Stormwater collection and disposal | - | 1,256,126 | 926,258 | 956,824 |
| Total business-type activities expenses | 15,112,250 | 16,901,387 | 17,487,167 | 17,703,006 |
| **Total primary government program expenses** | $ 53,401,181 | $ 55,412,117 | $ 56,937,855 | $ 56,131,579 |
| Program revenues | | | | |
| Governmental activities | | | | |
| Charges for services | | | | |
| General government and administration | $ 84,733 | $ 76,647 | $ 86,874 | $ 159,473 |
| Community services | 652,376 | 358,167 | 586,449 | 274,561 |
| Public services | 1,687,163 | 218,646 | 261,846 | 1,111,453 |
| Public safety | 2,386,756 | 3,374,638 | 4,083,939 | 4,227,029 |
| Leisure services | 1,174,702 | 1,158,956 | 1,210,305 | 1,126,884 |
| Operating grants and contributions | 599,111 | 610,603 | 599,930 | 61,067 |
| Capital grants and contributions | 44,102 | - | 93,556 | 79,783 |
| Total governmental activities program revenues | 6,628,943 | 5,797,657 | 6,922,899 | 7,040,250 |
| Business-type activities | | | | |
| Charges for services | | | | |
| Water and sewer services | 18,915,135 | 17,908,621 | 18,607,795 | 19,102,535 |
| Stormwater collection and disposal | 1,291,856 | 1,290,624 | 1,312,932 | 1,302,656 |
| Capital grants and contributions | 147,360 | - | 6,263,044 | 325,496 |
| Total business-type activities program revenues | 20,354,351 | 19,199,245 | 26,183,771 | 20,730,687 |
| **Total primary government program revenues** | $ 26,983,294 | $ 24,996,902 | $ 33,106,670 | $ 27,770,937 |

| Fiscal Year | | | | | | |
|---|---|---|---|---|---|---|
| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| $ 5,429,870 | $ 5,172,343 | $ 5,358,893 | $ 5,387,669 | $ 6,156,789 | $ 9,841,070 |
| 1,876,441 | 1,811,320 | 2,316,201 | 2,624,216 | 2,027,787 | 4,667,871 |
| 5,983,295 | 5,421,724 | 5,696,229 | 6,823,307 | 5,312,274 | 5,977,891 |
| 20,780,556 | 22,016,970 | 22,212,547 | 22,464,281 | 22,347,021 | 35,129,701 |
| 4,364,247 | 5,418,465 | 5,315,999 | 5,426,554 | 4,627,770 | 6,239,508 |
| 932,371 | 750,473.00 | 1,264,535 | 2,945,605 | 2,753,347 | 2,575,508 |
| 39,366,780 | 40,591,295 | 42,164,404 | 45,671,632 | 43,224,988 | 64,431,549 |
| 17,510,256 | 18,565,424.00 | 19,193,627 | 19,954,614 | 19,939,424 | 20,341,759 |
| 874,192 | 873,153 | 972,189 | 1,145,538 | 973,147 | 1,102,992 |
| 18,384,448 | 19,438,577 | 20,165,816 | 21,100,152 | 20,912,571 | 21,444,751 |
| $ 57,751,228 | $ 60,029,872 | $ 62,330,220 | $ 66,771,784 | $ 64,137,559 | $ 85,876,300 |
| $ 91,702 | $ 92,875.00 | $ 92,114 | $ 87,355 | $ 87,443 | $ 100,914 |
| 310,534 | 330,216.00 | 1,277,634 | 1,115,387 | 1,125,668 | 948,562 |
| 1,102,811 | 934,551 | 644 | 983 | 235 | - |
| 3,837,145 | 4,030,313 | 4,281,278 | 3,921,718 | 3,570,409 | 3,578,738 |
| 1,158,145 | 1,091,945 | 1,068,533 | 1,051,300 | 94,790 | 95,095 |
| 41,653 | 24,828 | 45,842 | 63,548 | 1,980,380 | 825,951 |
| 135,258 | 511,184 | 731,673 | 282,931 | 584,841 | 768,381 |
| 6,677,248 | 7,015,912 | 7,497,718 | 6,523,222 | 7,443,766 | 6,317,641 |
| 20,267,092 | 20,995,798.00 | 22,528,181 | 22,243,765 | 23,381,490 | 23,484,233 |
| 1,303,734 | 1,660,438 | 1,695,337 | 1,633,428 | 1,700,008 | 1,700,019 |
| 162,647 | 625,677 | 209,972 | 56,143 | 150,816 | 411,778 |
| 21,733,473 | 23,281,913 | 24,433,490 | 23,933,336 | 25,232,314 | 25,596,030 |
| $ 28,410,721 | $ 30,297,825 | $ 31,931,208 | $ 30,456,558 | $ 32,676,080 | $ 31,913,671 |

**City of Bedford, Texas**
Changes in Net Position – Continued
Last Ten Fiscal Years
(Accrual Basis of Accounting)

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2012 | 2013 | 2014 | 2015 |
| Net (expense) revenues | | | | |
| Governmental activities | $ (31,659,988) | $ (32,713,073) | $ (32,527,789) | $ (31,388,323) |
| Business-type activities | 3,905,735 | 2,297,858 | 8,696,604 | 3,027,681 |
| Total primary government net expense | (27,754,253) | (30,415,215) | (23,831,185) | (28,360,642) |
| General revenues and other | | | | |
| Changes in net position | | | | |
| Governmental activities | | | | |
| Taxes | | | | |
| Property | 13,735,255 | 14,488,399 | 14,297,275 | 14,543,198 |
| Sales | 9,363,047 | 9,629,427 | 9,985,658 | 11,048,748 |
| Franchise and occupancy | 3,325,941 | 3,338,307 | 3,584,311 | 3,555,243 |
| Other | 875,838 | 901,956 | 1,028,447 | 1,236,319 |
| Unrestricted grants and contributions | - | - | - | - |
| Investment earnings | 26,459 | 33,521 | 43,393 | 45,552 |
| Miscellaneous | 594,715 | 535,474 | 466,677 | 425,314 |
| Transfers | 2,376,664 | 2,414,451 | 2,506,603 | 2,479,790 |
| Total governmental activities | 30,297,919 | 31,341,535 | 31,912,364 | 33,334,164 |
| Business-type activities | | | | |
| Investment earnings | 21,051 | 47,321 | 22,421 | 14,955 |
| Miscellaneous | 3,734 | 11,406 | - | - |
| Transfers | (2,376,664) | (2,414,451) | (2,506,603) | (2,479,790) |
| Total business-type activities | (2,351,879) | (2,355,724) | (2,484,182) | (2,464,835) |
| Total primary government | 27,946,040 | 28,985,811 | 29,428,182 | 30,869,329 |
| Change in net position | | | | |
| Government activities | (1,362,069) | (1,371,538) | (615,425) | 1,945,841 |
| Business-type activities | 1,553,856 | (57,866) | 6,212,422 | 562,846 |
| **Total primary government** | $ 191,787 | $ (1,429,404) | $ 5,596,997 | $ 2,508,687 |

| Fiscal Year | | | | | | |
|---|---|---|---|---|---|---|
| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| $ (32,689,533) | $ (33,575,383) | $ (34,666,686) | $ (39,148,410) | $ (35,781,222) | $ (58,113,908) |
| 3,349,025 | 3,843,336 | 4,267,674 | 2,833,184 | 4,319,743 | 4,151,279 |
| (29,340,508) | (29,732,047) | (30,399,012) | (36,315,226) | (31,461,479) | (53,962,629) |
| 15,507,727 | 16,273,095 | 19,143,856 | 22,131,826 | 24,479,357 | 25,362,585 |
| 10,787,539 | 10,905,398 | 10,936,716 | 11,739,682 | 12,201,337 | 13,729,929 |
| 3,432,957 | 3,331,500 | 3,432,589 | 3,209,965 | 3,651,973 | 3,881,342 |
| 1,358,741 | 1,070,774 | 954,751 | 1,032,118 | 18,000 | - |
| - | 231,388 | 237,958 | - | - | - |
| 86,353 | 227,800 | 987,778 | 2,184,375 | 1,355,958 | 379,552 |
| 4,526,458 | 140,792 | 564,168 | 126,100 | 731,554 | 564,168 |
| 2,644,416 | 2,697,694.00 | 2,827,805 | 2,864,193 | 2,772,362 | 3,459,479 |
| 38,344,191 | 34,878,441 | 39,085,621 | 43,288,259 | 45,210,541 | 47,377,055 |
| 174,144 | 356,632 | 811,952 | 1,006,994 | 542,904 | 336,945 |
| (39,892) | - | - | 101,160 | (10,268) | - |
| (2,644,416) | (2,697,694) | (2,827,805) | (2,864,193) | (2,772,362) | (3,459,479) |
| (2,510,164) | (2,341,062) | (2,015,853) | (1,756,039) | (2,239,726) | (3,122,534) |
| 35,834,027 | 32,537,379 | 37,069,768 | 41,532,220 | 42,970,815 | 44,254,521 |
| 5,654,658 | 1,303,058 | 4,418,935 | 4,139,849 | 9,429,319 | (10,736,853) |
| 838,861 | 1,502,274 | 2,251,821 | 1,077,145 | 2,080,017 | 1,028,745 |
| $ 6,493,519 | $ 2,805,332 | $ 6,670,756 | $ 5,216,994 | $ 11,509,336 | $ (9,708,108) |

**City of Bedford, Texas** **Table 3**

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

| | 2012 | 2013 | 2014 | 2015 | 2016** | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| General fund | | | | | | | | | | |
| Nonspendable | $ 360,284 | $ 357,761 | $ 724,210 | $ 326,676 | $ 236,097 | $ 30,104 | $ 24,572 | $ 33,491 | $ 38,089 | $ 48,007 |
| Restricted | - | - | 478,872 | - | 35,464 | 35,464 | 35,464 | 35,464 | 35,464 | 35,464 |
| Assigned | - | - | - | - | 140,000 | - | - | - | - | - |
| Committed - special projects | - | - | - | - | 4,486,890 | - | - | - | - | - |
| Unassigned | 4,764,530 | 5,751,658 | 6,172,841 | 7,199,906 | 7,437,211 | 11,873,958 | 13,587,512 | 12,823,875 | 17,752,892 | 20,881,030 |
| Total general fund | $ 5,124,814 | $ 6,109,419 | $ 7,375,923 | $ 7,526,582 | $ 12,335,662 | $ 11,939,526 | $ 13,647,548 | $ 12,892,830 | $ 17,826,445 | $ 20,964,501 |
| All other governmental funds | | | | | | | | | | |
| Restricted for | | | | | | | | | | |
| Debt service | $ 1,108,669 | $ 1,060,593 | $ 977,409 | $ 936,907 | $ 944,473 | $ 973,557 | $ 1,049,549 | $ 1,087,072 | $ 1,055,347 | $ 1,093,161 |
| Street and drainage improvements | 1,824,024 | 1,832,971 | 1,839,601 | 1,848,957 | 2,274,285 | 2,392,382 | 2,390,700 | 2,457,154 | 2,507,056 | 2,521,553 |
| Capital acquisition and construction | 1,830,699 | 3,274,169 | 7,015,936 | 3,207,349 | 1,184,007 | 828,271 | 61,113,475 | 62,640,687 | 68,344,678 | 43,959,474 |
| Economic development | 1,501,475 | 1,903,735 | 2,697,890 | 3,713,371 | 4,515,434 | 4,465,576 | 4,224,387 | 3,592,669 | 3,413,108 | 4,949,824 |
| Public safety | 308,698 | 248,091 | 284,840 | 277,111 | 279,938 | 210,675 | 212,830 | 208,740 | 205,401 | 204,599 |
| Parks and beautification | 505,923 | 715,438 | 982,540 | 1,234,435 | 109,323 | 120,624 | 138,990 | 150,766 | 154,388 | 165,824 |
| Other | 54,960 | 48,909 | 75,590 | 95,032 | 68,415 | 68,215 | 66,611 | 84,029 | 96,747 | 156,608 |
| Unassigned | - | - | - | - | - | - | - | - | - | - |
| **Total all other governmental funds** | $ 7,134,448 | $ 9,083,906 | $ 13,873,806 | $ 11,313,162 | $ 9,375,875 | $ 9,059,300 | $ 69,196,542 | $ 70,221,117 | $ 75,776,725 | $ 53,051,043 |

**Amounts for 2016 were restated to reflect the effects of prior period adjustment as described in prior financial statements

**City of Bedford, Texas** **Table 4**

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| **REVENUES** | | | | | | | | | | |
| Taxes, penalties and interest | $ 27,950,618 | $ 28,278,856 | $ 29,072,928 | $ 30,729,516 | $ 30,859,702 | $ 31,805,280 | $ 34,728,875 | $ 38,132,727 | $ 40,180,922 | $ 43,059,775 |
| Licenses and permits | 863,709 | 456,761 | 628,484 | 871,081 | 692,700 | 1,056,327.00 | 1,004,797 | 1,003,348 | 1,030,639 | 877,104 |
| Charges for services | 2,822,239 | 3,097,437 | 3,177,429 | 3,591,135 | 3,959,448 | 3,332,863 | 3,651,650 | 3,335,686 | 2,427,403 | 2,362,785 |
| Fines and forfeitures | 2,078,895 | 1,502,737 | 2,220,906 | 1,949,006 | 1,660,311 | 1,742,325 | 1,802,258 | 1,476,392 | 1,047,963 | 1,050,174 |
| Support from governmental entities | 654,732 | 661,413 | 689,840 | 647,946 | 365,533 | 694,134 | 686,310 | 520,990 | 678,278 | 508,487 |
| Interest | 26,459 | 33,521 | 43,393 | 45,552 | 86,353 | 227,800 | 987,779 | 2,184,375 | 1,355,958 | 379,552 |
| Miscellaneous | 557,599 | 622,819 | 425,913 | 486,410 | 4,792,905 | 223,805 | 228,312 | 239,819 | 2,729,381 | 1,156,985 |
| Total revenues | 34,954,251 | 34,653,544 | 36,258,893 | 38,320,646 | 42,416,952 | 39,082,534 | 43,089,981 | 46,893,337 | 49,450,544 | 49,394,862 |
| **EXPENDITURES** | | | | | | | | | | |
| General government | 1,574,751 | 1,627,934 | 1,791,511 | 2,229,137 | 2,005,931 | 2,335,285.00 | 2,387,709 | 2,402,492 | 3,490,409 | 4,058,025 |
| Community services | 1,912,686 | 1,953,414 | 1,488,981 | 1,682,326 | 1,806,262 | 1,744,784 | 2,175,457 | 2,457,588 | 1,896,732 | 2,199,231 |
| Public services | | 2,457,948 | 2,452,901 | 2,622,977 | 3,263,538 | 2,937,472 | 3,326,194 | 5,199,368 | 4,170,468 | 4,297,394 |
| Administrative services | 2,081,900 | 1,946,533 | 2,261,952 | 2,057,540 | 2,194,218 | 2,659,858 | 2,741,039 | 2,707,621 | 2,502,610 | 3,326,890 |
| Public safety | 16,126,751 | 16,797,850 | 18,051,735 | 18,346,405 | 19,383,973 | 20,243,699 | 20,602,308 | 20,909,014 | 21,672,049 | 22,752,399 |
| Leisure services | 3,661,546 | 3,751,588 | 3,804,071 | 4,046,351 | 4,290,997 | 4,306,461 | 4,221,724 | 4,277,851 | 3,612,983 | 3,704,325 |
| Capital outlay | 2,281,440 | 1,243,851 | 2,114,252 | 5,154,812 | 2,943,455 | 2,917,962 | 1,460,298 | 6,274,316 | 6,752,435 | 31,305,181 |
| Debt service | | | | | | | | | | |
| Interest and fiscal agent fees | 1,921,115 | 1,689,615 | 1,462,845 | 1,358,233 | 1,119,668 | 912,214.00 | 847,728 | 4,717,422 | 4,825,799 | 2,829,834 |
| Principal retirement | 5,186,621 | 5,066,888 | 5,268,055 | 5,775,675 | 5,698,767 | 5,914,341 | 7,069,573 | 3,433,233 | 3,028,661 | 4,644,489 |
| Bond issuance costs | - | 72,818 | 96,476 | - | - | - | - | - | - | - |
| Total expenditures | 34,746,810 | 36,608,439 | 38,792,779 | 43,273,456 | 42,706,809 | 43,972,076 | 44,832,030 | 52,378,905 | 51,952,146 | 79,117,768 |

**City of Bedford, Texas** **Table 4**

Changes in Fund Balances of Governmental Funds – Continued
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | 207,441 | (1,954,895) | (2,533,886) | (4,952,810) | (289,857) | (4,889,542) | (1,742,049) | (5,485,568) | (2,501,602) | (29,722,906) |
| **OTHER FINANCING SOURCES (USES)** | | | | | | | | | | |
| Issuance of general obligation bonds | - | 5,375,000 | 5,500,000 | - | - | 1,105,000 | 57,540,000 | 2,750,000 | 12,980,000 | 7,590,000 |
| Payments to refund escrow | - | - | - | - | - | - | - | - | (3,352,149) | (1,258,609) |
| Premium on bonds issued | - | - | - | - | - | - | 2,667,427 | 126,830 | 501,721 | - |
| Lease purchase proceeds | 339,011 | 228,370 | 221,936 | - | - | 323,221 | 462,030 | - | - | - |
| Proceeds from sale of capital assets | 219,723 | 77 | 40,764 | 35,550 | 11,489 | 8,329 | 4,733 | 14,063 | 34,202 | 139,722 |
| Premium on debt | - | 75,085 | 61,948 | - | - | - | - | - | - | - |
| Payments to escrow account | - | (3,682,267) | - | - | - | - | - | - | - | - |
| Insurance proceeds | 41,100 | 45,073 | 30,669 | 27,485 | 55,635 | 42,587 | 85,318 | 339 | 54,689 | 204,688 |
| Transfers in | 3,863,681 | 3,896,716 | 3,999,750 | 3,956,299 | 4,658,149 | 4,218,256 | 4,407,859 | 3,030,814 | 3,164,277 | 3,912,283 |
| Transfers out | 1,487,017 | (1,482,265) | (1,493,147) | (1,476,509) | (2,013,733) | (1,520,562) | (1,580,054) | (166,621) | (391,915) | (452,804) |
| Total other financing sources (uses) | 5,950,532 | 4,455,789 | 8,361,920 | 2,542,825 | 2,711,540 | 4,176,831 | 63,587,313 | 5,755,425 | 12,990,825 | 10,135,280 |
| **NET CHANGED IN FUND BALANCES** | $ 6,157,973 | $ 2,500,894 | $ 5,828,034 | $ (2,409,985) | $ 2,421,683 | $ (712,711) | $ 61,845,264 | $ 269,857 | $ 10,489,223 | $ (19,587,626) |
| Debt Service as a Percentage of Noncapital Expenditures | 18.9% | 20.2% | 19.3% | 18.6% | 18.7% | 17.1% | 17.3% | 17.7% | 17.4% | 15.6% |

# Revenue Capacity

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**City of Bedford, Texas** **Table 5**

Tax Revenues by Source – Governmental Funds
Last Ten Fiscal Years

| Fiscal Years Ended | Ad Valorem | Hotel/Motel | Franchise | Sales and Other | Total |
|---|---|---|---|---|---|
| 2012 | $ 13,735,255 | $ 723,745 | $ 3,325,941 | $ 9,363,047 | $ 27,147,988 |
| 2013 | 14,488,399 | 749,612 | 3,338,307 | 9,629,427 | 28,205,745 |
| 2014 | 14,297,275 | 840,119 | 3,584,311 | 9,985,658 | 28,707,363 |
| 2015 | 14,543,198 | 1,027,473 | 3,555,243 | 11,048,748 | 30,174,662 |
| 2016 | 15,507,727 | 1,123,421 | 3,432,957 | 11,022,859 | 31,086,964 |
| 2017 | 16,266,220 | 1,070,774 | 3,331,500 | 11,136,786 | 31,805,280 |
| 2018 | 19,452,182 | 954,751 | 3,432,589 | 10,936,716 | 34,776,238 |
| 2019 | 22,048,319 | 1,022,188 | 3,209,965 | 11,739,682 | 38,020,154 |
| 2020 | 24,416,168 | 729,835 | 2,922,138 | 12,201,337 | 40,269,478 |
| 2021 | 25,448,504 | 1,052,538 | 2,828,804 | 13,729,929 | 43,059,775 |

**City of Bedford, Texas** **Table 6**

Water Revenue
Last Ten Fiscal Years

| Fiscal Year | Number of Customers | Gallons Billed (000's) | Water Revenue | Revenue Per Customer | Revenue Per 1,000 Gallons |
|---|---|---|---|---|---|
| 2012 | 23,035 | 2,674,949 | $ 12,185,112 | $ 529 | $ 4.56 |
| 2013 | 23,018 | 2,511,415 | 11,834,377 | 514 | 4.71 |
| 2014 | 23,041 | 2,337,171 | 11,855,648 | 515 | 5.07 |
| 2015 | 23,116 | 2,235,456 | 12,309,854 | 533 | 5.51 |
| 2016 | 23,172 | 2,355,706 | 12,806,549 | 553 | 5.44 |
| 2017 | 23,216 | 2,282,073 | 13,165,148 | 567 | 5.77 |
| 2018 | 23,225 | 2,445,290 | 14,121,583 | 608 | 5.78 |
| 2019 | 23,246 | 2,177,551 | 13,414,821 | 577 | 6.16 |
| 2020 | 23,271 | 2,325,519 | 14,507,430 | 623 | 6.24 |
| 2021 | 23,246 | 2,177,551 | 14,610,636 | 629 | 6.71 |

**City of Bedford, Texas** **Table 7**

Principal Water Customers

Fiscal Year Ended September 30, 2021

| Customer Name | Gallons Consumed (000's) | Percent Total | Amount Billed | Total Percent |
|---|---|---|---|---|
| Texas Health Resources-HEB Hospital | 58,017 | 2.66% | $ 482,095 | 3.30% |
| Canopy on Central LP | 45,608 | 2.09% | 243,032 | 1.66% |
| Colonial Village @ Shoal Creek | 29,880 | 1.37% | 169,650 | 1.16% |
| The Logan | 27,596 | 1.27% | 156,421 | 1.07% |
| Colonial Village @ Willow Creek | 26,992 | 1.24% | 155,809 | 1.07% |
| The Morgan Apartments | 25,228 | 1.16% | 127,746 | 0.87% |
| Heartis Mid Cities Partner | 20,485 | 0.94% | 100,602 | 0.69% |
| MRT Point Loma LLC | 18,945 | 0.87% | 98,226 | 0.67% |
| Cornerstone Summerstone | 16,714 | 0.77% | 96,069 | 0.66% |
| Windmill Terrace | 16,199 | 0.74% | 93,070 | 0.64% |
| **Top Ten Total** | 285,664 | 13.11% | $ 1,722,720 | 11.79% |
| City Total | 2,177,551 | 100.00% | $ 14,610,636 | 100.00% |

**City of Bedford, Texas** **Table 8**

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

| Fiscal Year | Real Property | Personal Property | Total Appraised Value | Less: Tax-exempt Property | Net Taxable Value | Total Direct Tax Rate | Estimated Net Taxable Value |
|---|---|---|---|---|---|---|---|
| *2012 | $ 3,095,960,546 | $ 168,619,714 | $ 3,264,580,260 | $ 387,551,829 | $ 2,877,028,431 | 0.5043290 | $ 2,877,028,431 |
| 2013 | 3,235,990,575 | 159,315,402 | 3,395,305,977 | 429,317,650 | 2,965,988,327 | 0.4991150 | 2,970,991,006 |
| 2014 | 3,202,304,589 | 161,052,296 | 3,363,356,885 | 402,262,501 | 2,961,094,384 | 0.4948303 | 2,961,094,384 |
| 2015 | 3,372,021,008 | 165,181,254 | 3,537,202,262 | 449,152,253 | 3,088,050,009 | 0.4948303 | 3,121,183,647 |
| 2016 | 3,359,873,966 | 168,488,758 | 3,528,362,724 | 451,210,531 | 3,077,152,193 | 0.4948303 | 3,192,632,438 |
| 2017 | 3,683,978,396 | 169,722,606 | 3,853,701,002 | 463,425,828 | 3,390,275,174 | 0.4765090 | 3,566,086,055 |
| 2018 | 4,159,701,044 | 192,718,639 | 4,352,419,683 | 546,896,067 | 3,805,523,616 | 0.5200000 | 3,939,845,851 |
| 2019 | 4,617,406,859 | 215,528,570 | 4,832,935,429 | 575,776,312 | 4,257,159,117 | 0.5618620 | 4,315,127,332 |
| 2020 | 5,050,500,158 | 229,032,759 | 5,279,532,917 | 601,536,699 | 4,677,996,218 | 0.5690000 | 4,756,793,584 |
| 2021 | 5,063,731,689 | 238,824,368 | 5,302,556,057 | 615,101,320 | 4,687,454,737 | 0.5690000 | 4,894,309,414 |

**Source:** Tarrant Appraisal District (Reports)

***Note:** Net Taxable Value and Estimated Net Taxable Value Columns are based on the July Certified Appraisal roles with the exception of 2012. 2012 Total Taxable Assessed Value and Estimated Actual Taxable Value columns are based on the September Certified Appraisal roles due to the timing of re-evaluation of properties. If the July role would have been used, the taxable value would have been materially understated.

**City of Bedford, Texas** **Table 9**

Principal Property Taxpayers
Current Year and Nine Years Ago

| Taxpayer | 2021 Taxable Assessed Value | | 2021 Percentage of Total City Taxable Assessed Value | 2012 Taxable Assessed Value | | 2012 Percentage of Total City Taxable Assessed Value |
|---|---|---|---|---|---|---|
| Canopy on Central LP/Logan AI LP The | $ 136,848,248 | 1 | 2.80% | $ - | | - |
| CMF 15 Portfolio LLC | 127,000,000 | 2 | 2.59% | 68,671,000 | 1 | 2.32% |
| Morgan Res LLC | 59,950,000 | 3 | 1.22% | - | | - |
| MRT Point Loma LLC | 38,320,000 | 4 | 0.78% | - | | - |
| Allmark Central Park LP | 31,500,000 | 5 | 0.64% | - | | - |
| AMFP IV Pecan Creek LLC | 27,690,000 | 6 | 0.57% | - | | - |
| 272 Northglenn Partners | 27,500,000 | 7 | 0.56% | - | | - |
| TS Asset Bedford LLC | 27,354,000 | 8 | 0.56% | - | | - |
| Oncor Electric Delivery CO LLC | 26,953,080 | 9 | 0.55% | 19,287,940 | 4 | 0.65% |
| Arbors 1 LLC | 26,675,000 | 10 | 0.55% | - | | - |
| Wal-Mart Stores, Inc. | - | | - | 26,946,603 | 2 | 0.91% |
| Wdop Sub I & II, L.P. | - | | - | 22,185,965 | 3 | 0.75% |
| Pem 121 Airport S, L.P | - | | - | 18,678,384 | 5 | 0.63% |
| Paramount Villages, L.L.P | - | | - | 15,825,000 | 6 | 0.53% |
| Shops Dunhill Ratel LLC | - | | - | 14,000,000 | 7 | 0.47% |
| Arc RRBDFTX001, L.L.C | - | | - | 13,701,831 | 8 | 0.46% |
| 2007 Amherst Etal | - | | - | 12,500,000 | 9 | 0.42% |
| Parc Plaza Homes, L.P. | - | | - | 12,207,893 | 10 | 0.41% |
| **Total** | $ 529,790,328 | | 10.82% | $ 224,004,616 | | 7.55% |
| Total Taxable Assessed Value | $ 4,894,309,414 | | | $ 2,965,988,327 | | |

**City of Bedford, Texas** **Table 10**

Property Tax Levies and Collections
Last Ten Fiscal Years

| Fiscal Year | Taxes Levied for the Fiscal Year | Collected Within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections | |
|---|---|---|---|---|---|---|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2012 | $ 14,374,422 | $ 14,201,336 | 98.80% | $ 63,935 | $ 14,265,271 | 99.24% |
| 2013 | 14,437,257 | 14,263,591 | 98.80% | 51,368 | 14,314,959 | 99.15% |
| 2014 | 14,524,393 | 14,414,247 | 99.24% | 15,727 | 14,429,974 | 99.35% |
| 2015 | 15,079,653 | 14,817,417 | 98.26% | 33,488 | 14,850,905 | 98.48% |
| 2016 | 15,294,958 | 15,244,866 | 99.67% | 18,242 | 15,263,108 | 99.79% |
| 2017 | 16,266,337 | 16,194,415 | 99.56% | 18,080 | 16,212,495 | 99.67% |
| 2018 | 19,162,258 | 19,052,625 | 99.43% | 46,281 | 19,098,906 | 99.67% |
| 2019 | 22,188,910 | 22,117,645 | 99.68% | 69,655 | 22,187,300 | 99.99% |
| 2020 | 24,417,311 | 24,327,917 | 99.63% | (23,290) | 24,304,627 | 99.54% |
| 2021 | 25,411,165 | 25,316,588 | 99.63% | 24,072 | 25,340,660 | 99.72% |

**Source:** Tarrant County Tax Office (YTD Summary - Part C)

# Debt Capacity

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**City of Bedford, Texas** **Table 11**

Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

| | Governmental Activities | | | | | Business-Type Activities | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Fiscal Year | General Obligation Bonds | Contractual Obligations | Certificates of Obligation | Tax Notes | Capital Leases | Water Revenue Bonds | General Obligation Bonds | Certificates of Obligation | Total Primary Government | Percentage of Personal Income | Per Capita |
| 2012 | $ 38,738,000 | $ - | $ 2,285,000 | $ - | $ 339,000 | $ - | $ 4,510,000 | $ 9,832,000 | $ 55,704,000 | 3.39% | 1,185 |
| 2013 | 35,680,000 | - | 2,120,000 | - | 478,872 | - | 3,945,000 | 14,330,000 | 56,553,872 | 3.50% | 1,164 |
| *2014 | 34,926,852 | 2,309,788 | 1,977,498 | - | 395,817 | - | 3,703,018 | 13,756,004 | 57,068,977 | 3.32% | 1,171 |
| 2015 | 29,462,886 | 2,098,809 | 1,805,970 | - | 310,142 | - | 3,395,766 | 13,097,194 | 50,170,767 | 2.83% | 1,023 |
| 2016 | 24,083,919 | 1,882,830 | 1,634,443 | - | 221,375 | - | 3,078,513 | 41,798,385 | 72,699,465 | 4.10% | 1,482 |
| 2017 | 18,809,953 | 1,661,852 | 1,452,915 | 885,000 | 370,255 | - | 2,751,261 | 40,459,576 | 66,390,812 | 3.65% | 1,351 |
| 2018 | 72,728,413 | 1,440,873 | 1,266,387 | 670,000 | 517,710 | | 9,267,684 | 55,900,937 | 141,792,004 | 7.77% | 2,880 |
| 2019 | 68,611,076 | 1,214,894 | 1,074,860 | 3,326,830 | 265,288 | - | 8,763,517 | 58,278,838 | 141,535,303 | 7.20% | 2,861 |
| 2020 | 75,026,130 | 983,915 | 878,332 | 2,601,464 | 44,489 | - | 9,475,089 | 55,146,873 | 144,156,292 | 7.34% | 2,907 |
| 2021 | 74,291,093 | 747,936 | 4,166,804 | 1,811,098 | - | - | 11,177,348 | 50,894,908 | 143,089,187 | 6.93% | 2,802 |

**Notes:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Personal income and population information can be found in Table 16
*Beginning Fiscal Year 2014, balances are net of bond premium/discounts.

**City of Bedford, Texas** **Table 12**

Ratio of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

| Fiscal Year | General Bonded Debt Outstanding: Gross Bonded Debt | Less Debt Service | Less Debt Payable from Enterprise | Net General Bonded Debt | Percentage of Actual Taxable Value of Property | Per Capita |
|---|---|---|---|---|---|---|
| 2012 | $ 55,365,000 | $ 1,108,669 | $ 12,725,000 | $ 41,531,331 | 1.44% | 884 |
| 2013 | 56,075,000 | 1,070,702 | 12,075,000 | 42,929,298 | 1.44% | 884 |
| 2014 | 54,363,372 | 977,409 | 17,459,022 | 35,926,941 | 1.21% | 737 |
| 2015 | 47,761,816 | 936,908 | 16,492,960 | 30,331,948 | 0.97% | 618 |
| 2016 | 70,595,260 | 944,475 | 44,876,898 | 24,773,887 | 0.78% | 504 |
| 2017 | 63,473,704 | 973,557 | 43,210,837 | 19,289,310 | 0.54% | 392 |
| 2018 | 139,163,423 | 1,049,549 | 55,900,937 | 82,212,937 | 2.09% | 1,668 |
| 2019 | 136,594,919 | 1,087,072 | 58,278,838 | 77,229,009 | 1.79% | 1,567 |
| 2020 | 140,526,424 | 1,055,347 | 55,146,873 | 84,324,204 | 1.77% | 1,701 |
| 2021 | 140,530,152 | 1,086,090 | 50,894,908 | 88,549,154 | 1.81% | 1,814 |

**Notes:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Property value data can be found in Table 8
Population data can be found in Table 16

**City of Bedford, Texas** **Table 13**

Direct and Overlapping
Governmental Activities Debt
September 30, 2021

| Taxing Jurisdiction | Taxable Assessed Value (000's) 2020/2021 | Debt Outstanding | Estimated Percentage Applicable * | Estimated Share of Direct and Overlapping Debt |
|---|---|---|---|---|
| Hurst-Euless-Bedford Independent School District | 15,798,326,547 | $ 386,667,474 | 27.48% | $ 106,256,222 |
| Tarrant County | 203,819,144,507 | 252,635,777 | 1.97% | 4,976,925 |
| Tarrant County College District | 204,901,450,007 | 283,270,693 | 1.97% | 5,580,433 |
| Tarrant County Hospital District | 203,973,437,575 | 26,600,000 | 1.97% | 524,020 |
| Subtotal overlapping debt | | 949,173,944 | | 117,337,600 |
| City of Bedford | 5,038,368,212 | 81,016,932 | 100.00% | 81,016,932 |
| **Total direct and overlapping debt** | | $ 1,030,190,876 | | $ 198,354,531 |

**Source:** Debt outstanding data provided by each governmental unit or obtained from Municipal Advisory Council of Texas.

*The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

**City of Bedford, Texas** **Table 14**

Legal Debt Margin Information
Last Ten Fiscal Years

| Fiscal Year | Total taxable assessed value (AV) | Debt limit 2.5% of Assessed Value (AV) | Total Net Debt Applicable to the Limit | Legal Debt Margin | Total net debt applicable to the limit as a % of Taxable AV | % of Debt Limit Available |
|---|---|---|---|---|---|---|
| 2012 | $ 2,877,028,431 | $ 71,925,711 | $ 55,365,000 | $ 16,560,711 | 1.9% | 23.0% |
| 2013 | 2,965,988,327 | 74,149,708 | 56,075,000 | 18,074,708 | 1.9% | 24.4% |
| 2014 | 2,961,094,384 | 74,027,360 | 56,673,160 | 17,354,200 | 1.9% | 23.4% |
| 2015 | 3,121,183,647 | 78,029,591 | 49,860,625 | 28,168,966 | 1.6% | 36.1% |
| 2016 | 3,077,152,193 | 76,928,805 | 72,478,091 | 4,450,714 | 2.4% | 5.8% |
| 2017 | 3,390,275,174 | 84,756,879 | 66,020,556 | 18,736,323 | 1.9% | 22.1% |
| 2018 | 3,805,523,616 | 95,138,090 | 72,728,413 | 22,409,677 | 1.9% | 23.6% |
| 2019 | 4,257,159,117 | 106,428,978 | 68,477,704 | 37,951,274 | 1.6% | 35.7% |
| 2020 | 4,677,996,218 | 116,949,905 | 75,026,130 | 41,923,776 | 1.6% | 35.8% |
| 2021 | 4,687,454,737 | 117,186,368 | 74,291,093 | 42,895,275 | 1.6% | 36.6% |

***Note:** The City of Bedford does not have a legal debt limit prescribed by state law. However, Article XI, Section 5 of the State Constitution provide that a maximum tax rate of $2.50 per $100 assessed valuation may be imposed for any one year. Additionally, no debt shall be created by any city, unless at the same time provision be made to assess and collect annually a sufficient sum to pay the interest thereon and creating an interest and sinking fund of at least 2 percent thereon.

Although Section 6.01 of the Bedford City Charter states a maximum tax rate of $1.50 per $100 assessed valuation, this particular table will address the City of Bedford's legal debt limit by using Article XI, Section 5 of the State Constitution because the City does not officially have a legal debt limit for general obligation bonds as well as certificate of obligations

**City of Bedford, Texas** **Table 15**

Pledged Revenue Coverage
Last Ten Fiscal Years

| | | Water Revenue Bonds | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Fiscal Year | Utility Service Charges | Less Operating Expenses | Net Available Revenue | Debt Service Principal | Debt Service Interest | Revenue Bond Coverage | Average Annual Debt Service | Average Requirements |
| * | 2012 | $ 18,915,135 | $ 13,473,986 | $ 5,441,149 | $ - | $ - | - | $ - | - |
| | 2013 | 17,908,621 | 13,900,489 | 4,008,132 | - | - | - | - | - |
| | 2014 | 18,607,795 | 14,575,557 | 4,032,238 | - | - | - | - | - |
| | 2015 | 19,102,535 | 14,623,282 | 4,479,253 | - | - | - | - | - |
| | 2016 | 20,267,092 | 14,853,564 | 5,413,528 | - | - | - | - | - |
| | 2017 | 20,995,798 | 15,753,352 | 5,242,446 | - | - | - | - | - |
| | 2018 | 22,528,121 | 15,832,882 | 6,695,239 | - | - | - | - | - |
| | 2019 | 22,243,765 | 16,531,568 | 5,712,197 | - | - | - | - | - |
| | 2020 | 23,381,490 | 16,274,933 | 7,106,557 | - | - | - | - | - |
| | 2021 | 23,484,233 | 16,596,318 | 6,887,915 | - | - | - | - | - |

**Notes:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Operating expenses do not include interest, depreciation, or amortization expenses.

* 2012 - Annual Debt Service Variance is due to the city refunded its 1998 and 2002 revenue bonds, so no longer own revenue bonds which impact the calculation.

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# Demographic and Economic Information

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**City of Bedford, Texas** **Table 16**

Demographic and Economic Statistics
Last Ten Fiscal Years

| Calendar Year | Population | (000's) Personal Income | Per Capita Personal Income | Average Household Income | Median Age | School Enrollment | Unemployment Rate |
|---|---|---|---|---|---|---|---|
| 2012 | 47,001 | 1,641,557 | $ 34,926 | $ 61,584 | 40 | 20,762 | 5.2% |
| 2013 | 48,566 | 1,615,499 | 33,264 | 78,521 | 40 | 21,814 | 5.3% |
| 2014 | 48,721 | 1,719,705 | 35,297 | 78,372 | 41 | 22,138 | 4.7% |
| 2015 | 49,054 | 1,773,155 | 36,147 | 80,275 | 41 | 22,180 | 4.6% |
| 2016 | 49,151 | 1,819,154 | 37,001 | 82,240 | 41 | 22,762 | 3.6% |
| 2017 | 49,234 | 1,824,415 | 37,056 | 82,321 | 41 | 23,090 | 3.2% |
| 2018 | 49,282 | 1,869,217 | 37,929 | 83,807 | 42 | 23,578 | 3.3% |
| 2019 | 49,428 | 1,964,714 | 39,749 | 87,623 | 42 | 23,707 | 3.2% |
| 2020 | 49,582 | 2,018,880 | 40,718 | 89,476 | 42 | 23,707 | 7.7% |
| 2021 | 49,928 | 2,111,904 | 42,299 | 92,977 | 42 | 23,015 | 5.8% |

**Sources:** Population: North Central Texas Council of Governments (NCTOG)
Per Capita Personal Income and Average Household Income: Alteryx
Median Age and Unemployment Rate: Alteryx
School Enrollment: HEB ISD/About/Quick Facts
Unemployment Rate: Texas Labor Market and Career Information (TWC)

**City of Bedford, Texas** **Table 17**

Principal Employers
Current Year and Nine Years Ago

| | 2021 | | 2012 | |
|---|---|---|---|---|
| Employer | Employees | Percentage of Total City Employment | Employees | Percentage of Total City Employment |
| Texas Health Resources HEB | 1,415 | 5.15% | 1,600 | 5.67% |
| Carter BloodCare | 891 | 3.25% | 1,100 | 3.90% |
| HEB ISD (Admin Offices/Bedford Campuses) | 614 | 2.24% | 250 | 0.89% |
| State National Companies | 486 | 1.77% | 400 | 1.42% |
| Warrantech | 416 | 1.52% | 415 | 1.47% |
| Walmart Supercenter | 416 | 1.52% | 435 | 1.54% |
| City of Bedford | 353 | 1.29% | 369 | 1.31% |
| Daystar Television Network | 294 | 1.07% | 200 | 0.71% |
| Bedford Wellness & Rehab | 130 | 0.47% | - | - |
| Kroger Foods, Inc. | 120 | 0.44% | - | - |
| Boeryl | - | - | 300 | 1.42% |
| Transamerica Insurance | - | - | 400 | 1.06% |
| | 27,453 | 18.72% | 28,229 | 18.33% |

**Sources:**

Information comes from City of Bedford, Economic Development Department - Demographics data
Total City Employment information can be found Texas Workfoce Commission Website via
(http://www.tracer2.com/cgi/dataanalysis/labForceReport.asp?menuchoice=LABFORCE)
- this link only gives the grand total

**City of Bedford, Texas** **Table 18**

Direct and Overlapping Tax Rates
Last Ten Fiscal Years

| | City Direct Rates | | | Overlapping Rates | | | |
|---|---|---|---|---|---|---|---|
| Fiscal Year | Operating / General Rate | General Obligation Debt Service | Total Direct Rate | Hurst-Euless-Bedford ISD | Tarrant County | Tarrant County Hospital District | Tarrant County Community College |
| 2012 | 0.311257 | 0.193072 | 0.504329 | 1.4140 | 0.2640 | 0.2279 | 0.1490 |
| 2013 | 0.306043 | 0.193072 | 0.499115 | 1.4075 | 0.2640 | 0.2279 | 0.1490 |
| 2014 | 0.303214 | 0.191616 | 0.494830 | 1.3875 | 0.2640 | 0.2279 | 0.1495 |
| 2015 | 0.289907 | 0.204923 | 0.494830 | 1.3750 | 0.2640 | 0.2279 | 0.1495 |
| 2016 | 0.299332 | 0.195498 | 0.494830 | 1.3500 | 0.2640 | 0.2279 | 0.1495 |
| 2017 | 0.303747 | 0.172762 | 0.476509 | 1.3160 | 0.2540 | 0.2279 | 0.1447 |
| 2018 | 0.340560 | 0.179440 | 0.520000 | 1.2630 | 0.2440 | 0.2244 | 0.1401 |
| 2019 | 0.344135 | 0.217727 | 0.561862 | 1.2730 | 0.2340 | 0.2244 | 0.1361 |
| 2020 | 0.384633 | 0.184367 | 0.569000 | 1.1980 | 0.2340 | 0.2244 | 0.1302 |
| 2021 | 0.386990 | 0.165010 | 0.552000 | 1.1608 | 0.2290 | 0.2244 | 0.1302 |

Sources: City of Bedford Budget Office, Tarrant Appraisal District

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# Operating Information

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**City of Bedford, Texas** **Table 19**

Full-time Equivalent City Governmental Employees by Function/Program
Last Ten Fiscal Years

| Function/Program | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| General Government | | | | | | | | | | |
| Management and Communication | 6.0 | 6.0 | 7.5 | 7.5 | 9.5 | 9.5 | 9.5 | 9.5 | 10.5 | 11.5 |
| Finance | 12.0 | 12.5 | 11.5 | 11.5 | 11.5 | 11.5 | 11.5 | 11.5 | 12.5 | 14.0 |
| Municipal Court and Teen Court | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 8.0 | 8.0 |
| Development and Planning | 12.8 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 13.0 | 13.0 | 19.0 | 17.0 |
| Library | 17.2 | 19.7 | 19.6 | 19.6 | 19.5 | 19.5 | 19.5 | 19.5 | 19.5 | 19.5 |
| Support Services | 11.0 | 10.0 | 11.0 | 11.0 | 22.0 | 23.0 | 18.0 | 18.0 | 18.0 | 18.0 |
| Police | | | | | | | | | | |
| Officers | 84.3 | 80.0 | 80.0 | 80.0 | 81.0 | 80.0 | 80.0 | 81.0 | 81.0 | 72.0 |
| Civilians | 49.6 | 55.0 | 53.0 | 56.0 | 57.0 | 56.0 | 59.0 | 59.0 | 72.0 | 37.0 |
| Animal Control | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 5.0 |
| Fire | | | | | | | | | | |
| Firefighters and Officers | 64.0 | 63.0 | 63.0 | 63.0 | 63.0 | 63.0 | 63.0 | 66.0 | 66.0 | 69.0 |
| Civilians | 2.0 | 8.0 | 8.0 | 9.0 | 10.0 | 10.0 | 3.0 | 3.0 | 6.0 | 3.0 |
| Parks and Recreation | | | | | | | | | | |
| Management and Communication | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | - | - |
| Parks and Recreation | 36.4 | 37.5 | 37.5 | 37.1 | 39.1 | 39.4 | 38.9 | 39.8 | 40.8 | 44.3 |
| Senior Citizens Center | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 |
| Tourism and Special Events | 3.5 | 4.4 | 4.5 | 5.5 | 6.0 | 6.0 | 6.5 | 6.5 | 4.5 | 5.5 |
| Public works | | | | | | | | | | |
| Engineering | 6.0 | 5.5 | 5.5 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 6.0 |
| Water | 13.0 | 13.8 | 12.5 | 12.5 | 13.3 | 14.3 | 14.3 | 14.3 | 14.3 | 14.0 |
| Wastewater | 7.0 | 7.0 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 7.0 | 6.0 |
| Stormwater | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 5.0 |
| Streets | 11.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 6.0 |
| *Fleet Maintenance | 4.0 | 4.0 | 4.0 | 4.0 | - | - | 5.0 | 5.0 | 5.0 | 4.0 |
| **Total** | 367.3 | 369.8 | 368.8 | 375.7 | 390.9 | 391.2 | 394.1 | 399.2 | 417.6 | 368.3 |

**Source:** City Finance - Position Control Report

*2016 - Fleet Maintenance moved from Public Works to Support Services (5.0 FTE)
*2017 - Inspections moved from Fire Department to Development and Planning (7.0 FTE)

**City of Bedford, Texas** **Table 20**

Operating Indicators by Function/Program
Last Ten Fiscal Years

| Function/Program by Fiscal Year | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| Inspections | | | | | | | | | | |
| Residential & Commercial Permits Issued | 995 | 761 | 778 | 535 | 650 | 843 | 625 | 802 | 760 | 851 |
| Estimated Value | 44,479,341 | 19,951,220 | 29,646,601 | 37,315,837 | 29,813,302 | 52,625,480 | 36,744,807 | 31,099,840 | 112,105,644 | 39,969,628 |
| Police | | | | | | | | | | |
| Physical Arrests | 3,285 | 2,715 | 2,534 | 1,982 | 1,992 | 2,275 | 2,267 | 2,632 | 1,667 | 1,775 |
| Parking Violations | 207 | 135 | 47 | 90 | 229 | 108 | 115 | 111 | 153 | 133 |
| Traffic Violations | 15,929 | 11,848 | 19,807 | 16,056 | 10,898 | 12,512 | 13,765 | 9,121 | 5,641 | 6,032 |
| Fire | | | | | | | | | | |
| Emergency Responses | 8,218 | 8,114 | 8,155 | 8,042 | 8,431 | 8,070 | 8,857 | 9,028 | 8,672 | 9,791 |
| Patients Transported | 2,989 | 3,015 | 3,038 | 3,198 | 3,118 | 3,000 | 3,396 | 3,435 | 3,381 | 3,640 |
| Fires Extinguished | 90 | 103 | 106 | 199 | 115 | 90 | 142 | 96 | 105 | 117 |
| Inspections | 2,901 | 2,835 | 3,096 | 3,152 | 3,366 | 3,050 | 3,210 | 3,190 | 2,650 | 2,735 |
| Culture and Recreation | | | | | | | | | | |
| Parks and Recreation: | | | | | | | | | | |
| Athletic League Spring Team | 8 | - | - | - | - | - | - | 12 | 13 | 13 |
| Athletic League Fall Team | - | - | - | - | - | - | - | 8 | - | - |
| Community Center Registration | 3,945 | 4,040 | 4,112 | 4,795 | 4,483 | 3,994 | 3,220 | 3,652 | 4,024 | 4,024 |
| Annual Recreation Revenue | 306,587 | 289,285 | 332,189 | 508,903 | 511,242 | 489,555 | 420,446 | 452,693 | 69,733 | - |
| Library | | | | | | | | | | |
| Population Service | 46,979 | 48,566 | 48,721 | 49,054 | 49,151 | 49,234 | 49,234 | 49,330 | 49,330 | 48,810 |
| Number of Library Visits | 279,991 | 252,506 | 244,388 | 221,177 | 219,543 | 214,899 | 178,866 | 190,788 | 106,200 | 107,035 |
| Volumes in Collection | 101,395 | 112,644 | 118,095 | 114,573 | 149,071 | 143,007 | 118,978 | 149,263 | 112,639 | 111,101 |
| Total Volumes Borrowed | 552,737 | 579,572 | 584,917 | 567,290 | 545,126 | 632,599 | 601,086 | 623,042 | 419,262 | 405,965 |
| Turnover Rate | 5 | 5 | 5 | 4 | 3 | 4 | 5 | 4 | 3 | 3 |
| Total Operating Expenditures | 1,119,609 | 1,249,419 | 1,309,275 | 1,320,502 | 1,457,919 | 1,487,263 | 1,538,473 | 1,538,473 | 1,347,721 | 1,477,687 |
| Cost Per Population Served | 24 | 26 | 27 | 27 | 30 | 30 | 31 | 31 | 27 | 30 |
| Total Paid Staff (FTE) | 16 | 20 | 20 | 19 | 19 | 19 | 19 | 19 | 19 | 19 |
| Public Works | | | | | | | | | | |
| Street Repair - Asphalt sq. yard | 36,004 | 21,850 | 26,425 | 27,186 | 60,935 | 37,977 | 90,446 | 49,616 | 104,571 | 49,930 |
| Street Repair - Concrete sq. yard | 3,693 | 3,655 | 311 | 6,216 | 19,623 | 3,524 | - | 11,982 | 4,221 | 4,550 |
| Sidewalk Installation/Repairs - sq. feet | 10,503 | 5,630 | 5,950 | 6,500 | 9,255 | 1,383 | 9,135 | 17,532 | 7,092 | 9,596 |
| Water and Sewer | | | | | | | | | | |
| New Connections - Water | 5 | (14) | 23 | 75 | 57 | 44 | 7 | 10 | 1 | (33) |
| New Connections - Sewer | (7) | 6 | (4) | 51 | 63 | 49 | 8 | 16 | 3 | (46) |
| Water Main Breaks | 67 | 46 | 46 | 62 | 31 | 16 | 25 | 12 | 11 | 16 |
| Stated in Thousands of Gallons: | | | | | | | | | | |
| Average Daily Consumption | 7,329 | 6,881 | 6,403 | 6,125 | 6,810 | 6,252 | 6,147 | 5,793 | 5,966 | 5,943 |
| Peak Daily Consumption | 12,375 | 10,141 | 9,588 | 14,133 | 13,136 | 11,840 | 10,951 | 11,668 | 121,101 | 10,697 |

**Source:** Various City Departments

**City of Bedford, Texas** **Table 21**

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

| Function/Program | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| Police | | | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Patrol Units | 15 | 17 | 17 | 17 | 17 | 22 | 22 | 21 | 21 | 30 |
| Other Units: CID-SWAT-PSO | 58 | 50 | 59 | 63 | 65 | 77 | 76 | 76 | 68 | 48 |
| Fire | | | | | | | | | | |
| Stations | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Fire Equipment Units | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| EMS Units | 4 | 4 | 4 | 4 | 5 | 5 | 5 | 5 | 5 | 5 |
| Other Units | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 |
| Regional Grant Units - Homeland Security | 11 | - | - | - | 2 | 2 | 2 | 2 | 2 | 2 |
| Other Public Works | | | | | | | | | | |
| Streets (Miles) | 460 | 455 | 456 | 456 | 456 | 460 | 460 | 460 | 460 | 460 |
| Streetlights | 1,738 | 1,738 | 1,738 | 1,738 | 1,751 | 1,753 | 1,753 | 1,753 | 1,753 | 1,753 |
| Traffic Signals | 24 | 25 | 25 | 26 | 26 | 26 | 25 | 26 | 27 | 27 |
| Parks and Recreation | | | | | | | | | | |
| Park Acreage | 150 | 150 | 150 | 155 | 155 | 155 | 140 | 140 | 145 | 152 |
| Playgrounds | 17 | 17 | 17 | 16 | 16 | 16 | 16 | 16 | 16 | 16 |
| Swimming Pools | 3 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 1 | 1 |
| Soccer/Baseball/Softball Fields | 6 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 6 | 6 |
| Community Centers | 3 | 3 | 3 | 3 | 3 | 3 | 1 | 1 | 1 | - |
| Water | | | | | | | | | | |
| Water Mains (Miles) | 147 | 148 | 149 | 165 | 167 | 192 | 192 | 192 | 192 | 192 |
| Fire Hydrants[a] | 1,425 | 1,425 | 1,800 | 1,800 | 1,802 | 1,818 | 1,818 | 1,818 | 1,830 | 1,830 |
| Storage Capacity (One Ground Well - 250,000 gallons) (Elevated Storage - 5 million gallons) | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 |
| Stormwater | | | | | | | | | | |
| Storm Sewers (Miles) | 91 | 92 | 92 | 93 | 173 | 198 | 198 | 198 | 198 | 198 |

**Source:** Various City Departments